

**Evaluation Of Proposed Drilling  
And Secondary Development  
Black Oaks & Nickel Town Areas  
Winterschied Field  
Woodson & Greenwood Counties, Kansas**

**As of  
October 1, 2007**

Prepared for  
Steve Cochennet  
EnerJex Resources

Prepared by  
Randy B. Miller, PE  
1712 N Westfield St  
Wichita, Kansas 67212

October 17, 2007

# Randy B Miller, PE

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October 17,2007

Steve Cochennet  
EnerJex Resources  
7300 W. 110<sup>th</sup> Street, 7<sup>th</sup> Floor  
Overland Park, KS 66210

Dear Steve:

At your request, I have prepared an estimate of the reserves, future production and income attributable to the Black Oaks and Nickel Town Areas of the Winterschied Field Drilling and Secondary Development Project as of October 1, 2007. The project consists of 26 leases located in Greenwood and Woodson Counties, Kansas. The properties have produced 4,900,000 Bbls with current production of 84 BOPD from 100 active producing wells. The evaluation was based on constant prices and expenses.

The recoverable reserves and income attributable thereto have a direct relationship to the hydrocarbon prices actually received, therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented in this report. The results of this study are summarized in the attached tables.

## **History**

The project in the Black Oaks Area was implemented in the second quarter of 2007. 25 producing wells and 9 injection wells have been drilled with 18 active producing wells and 5 active injection wells. The remainder of the wells are in the process of completion or waiting on injection permits. The average sales from the Black Oaks Area has increased from 31 BOPD in the first quarter of 2007 to 57 BOPD in September, 2007.

## **Ownership**

The EnerJex Resources 100% working interest is burdened with a 5% carried working interest convertible to a 30% working interest at project payout. For modeling purposes the conversion was applied on January, 2013 for the Black Oaks Area and January, 2014 for the Nickel Town Area.

## **Oil Price**

The evaluation was based on \$70/Bbl field oil price held constant.

## **Proved Developed Producing Reserves**

The proved developed producing reserves were based on extrapolation of the historical data. The current operating costs were estimated at \$320/producing well/month.

## **Development Drilling**

EnerJex Resources indicated 25 additional drilling locations in the Black Oaks Area and 75 drilling location in the Nickel Town Area are available. The exact locations of the development wells were not available. The current active producing wells exhibit remaining reserves from 1,300 Bbls per well to 15,000 Bbls per well with an average of 4,300 Bbls per well. Based on the average remaining reserves from the current wells, the reserves from development wells were estimated at 5,000 Bbls per well. The

initial production was estimated at 4 BOPD declining to 2 BOPD in 7 months then declining exponentially for the life of the well.

The estimated drilling costs of \$95,000 per well were supplied by EnerJex Resources. The timing of development drilling is shown on the attached investment schedule. Risk factors were not applied.

### **Waterflood**

The waterflood development as proposed by Enerjex Resources consists of drilling 36 additional injection wells in the Black Oaks Area and 60 injection wells in the Nickel Town Area at a cost of \$80,000 per well. Incremental operating costs of the water injection system was estimated at \$250 per month per injection well. Risk factors were not applied.

The estimate of future waterflood production was based on analogy with the Arco Flood (Sections 29,30 & 32-23S-14E) located one mile west of the Nickel Town Area and two miles northeast of the Black Oaks Area. The Arco flood was initiated in 1960. Decline curve analysis indicates the secondary recovery was approximately equal to 50% of the primary recovery.

From 1969 to 1977 water was injected into the Erhardt, Ryser A, Ryser B, Ryser C and Westlake leases of the Nickel Town area. Production increases during this period indicate approximately 120,000 Bbbls of secondary oil were recovered. This is a future indication that the reservoir is floodable.

In my opinion there is a 60% chance (Base Case) the secondary recovery will be similar to the Arco Flood with a 20% chance (Low Case) the recovery will be significantly lower and a 20% chance (High Case) the recovery will be significantly higher. For modeling purposes the Base Case was estimated at 1,650,000 Bbbls incremental waterflood recovery for the Black Oaks Area and 950,000 Bbbls incremental waterflood recovery from the Nickel Town Area. The waterflood recovery from the Nickel Town area was reduced to take into account the 120,000 Bbbls waterflood oil recovered in the 1970's. The Low Case was based on 50% of the Base Case and the High Case was based on 150% of the Base Case.

The reserves included in this report are estimates only and should not be construed as exact values. Actual recoveries could be higher or lower than indicated. Randy B. Miller, PE does not have any interest in the subject properties and neither the employment to make this study nor the compensation is contingent on the estimated reserves and future income from the subject properties.

Sincerely,

Randy B. Miller, PE  
Consulting Petroleum Engineer

## Economic Summary

### Black Oaks Area - Base Case

Based on Constant \$70/Bbl

Conversion of 5% Carried Interest to 30% WI on 1/2013

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	53	-	5	58
Drilled - Not Online	-	7	4	11
Conversion to Injector	-	-	-	-
Future Drilling	-	25	36	61
Total	53	32	45	130
Gross Cumulative Oil	2,896,897	-	-	2,896,897
Gross Remaining Oil	364,060	160,000	1,650,000	2,174,060
Gross Ultimate Oil	3,260,957	160,000	1,650,000	5,070,957
Net Remaining Oil - Bbls	234,827	113,575	1,025,675	1,374,077
Economic Life - Years	38.1	17.6	50.0	50.0
Required Investment	\$ -	\$ 2,375,000	\$ 3,395,475	\$ 5,770,475
Future Net Cashflow				
Undiscounted	\$ 10,500,975	\$ 3,874,803	\$ 61,072,035	\$ 75,447,813
5% Discounted	\$ 6,965,622	\$ 2,837,378	\$ 31,759,823	\$ 41,562,823
8% Discounted	\$ 5,788,330	\$ 2,376,760	\$ 23,307,553	\$ 31,472,643
9% Discounted	\$ 5,482,318	\$ 2,243,255	\$ 21,222,114	\$ 28,947,687
10% Discounted	\$ 5,208,708	\$ 2,118,341	\$ 19,397,559	\$ 26,724,608
12% Discounted	\$ 4,740,630	\$ 1,891,473	\$ 16,366,389	\$ 22,998,492
15% Discounted	\$ 4,187,272	\$ 1,599,773	\$ 12,937,734	\$ 18,724,779
20% Discounted	\$ 3,523,912	\$ 1,213,417	\$ 9,074,613	\$ 13,811,942
30% Discounted	\$ 2,712,962	\$ 686,500	\$ 4,812,745	\$ 8,212,207

## Economic Summary

### Black Oaks Area - Low Case

Based on Constant \$70/Bbl

Conversion of 5% Carried Interest to 30% WI on 1/2013

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	53	-	5	58
Drilled - Not Online	-	7	4	11
Conversion to Injector	-	-	-	-
Future Drilling	-	25	36	61
Total	53	32	45	130
Gross Cumulative Oil	2,896,897	-	-	2,896,897
Gross Remaining Oil	364,060	160,000	825,000	1,349,060
Gross Ultimate Oil	3,260,957	160,000	825,000	4,245,957
Net Remaining Oil - Bbls	234,827	113,575	503,355	851,757
Economic Life - Years	38.1	17.6	50.0	50.0
Required Investment	\$ -	\$ 2,375,000	\$ 3,395,475	\$ 5,770,475
Future Net Cashflow				
Undiscounted	\$ 10,500,975	\$ 3,874,803	\$ 24,922,785	\$ 39,298,563
5% Discounted	\$ 6,965,622	\$ 2,837,378	\$ 10,055,717	\$ 19,858,717
8% Discounted	\$ 5,788,330	\$ 2,376,760	\$ 6,356,495	\$ 14,521,585
9% Discounted	\$ 5,482,318	\$ 2,243,255	\$ 5,496,189	\$ 13,221,762
10% Discounted	\$ 5,208,708	\$ 2,118,341	\$ 4,762,099	\$ 12,089,148
12% Discounted	\$ 4,740,630	\$ 1,891,473	\$ 3,583,028	\$ 10,215,131
15% Discounted	\$ 4,187,272	\$ 1,599,773	\$ 2,314,818	\$ 8,101,863
20% Discounted	\$ 3,523,912	\$ 1,213,417	\$ 979,387	\$ 5,716,716
30% Discounted	\$ 2,712,962	\$ 686,500	\$ (349,879)	\$ 3,049,583

## Economic Summary

### Black Oaks Area - High Case

Based on Constant \$70/Bbl

Conversion of 5% Carried Interest to 30% WI on 1/2013

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	53	-	5	58
Drilled - Not Online	-	7	4	11
Conversion to Injector	-	-	-	-
Future Drilling	-	25	36	61
Total	53	32	45	130
Gross Cumulative Oil	2,896,897	-	-	2,896,897
Gross Remaining Oil	364,060	160,000	2,475,000	2,999,060
Gross Ultimate Oil	3,260,957	160,000	2,475,000	5,895,957
Net Remaining Oil - Bbls	234,827	113,575	1,547,611	1,896,013
Economic Life - Years	38.1	17.6	50.0	50.0
Required Investment	\$ -	\$ 2,375,000	\$ 3,395,475	\$ 5,770,475
Future Net Cashflow				
Undiscounted	\$ 10,500,975	\$ 3,874,803	\$ 97,194,694	\$ 111,570,472
5% Discounted	\$ 6,965,622	\$ 2,837,378	\$ 53,002,073	\$ 62,805,073
8% Discounted	\$ 5,788,330	\$ 2,376,760	\$ 39,867,046	\$ 48,032,136
9% Discounted	\$ 5,482,318	\$ 2,243,255	\$ 36,584,263	\$ 44,309,836
10% Discounted	\$ 5,208,708	\$ 2,118,341	\$ 33,696,173	\$ 41,023,222
12% Discounted	\$ 4,740,630	\$ 1,891,473	\$ 28,861,822	\$ 35,493,925
15% Discounted	\$ 4,187,272	\$ 1,599,773	\$ 23,331,781	\$ 29,118,826
20% Discounted	\$ 3,523,912	\$ 1,213,417	\$ 17,007,625	\$ 21,744,954
30% Discounted	\$ 2,712,962	\$ 686,500	\$ 9,880,333	\$ 13,279,795

Investment Schedule						
Black Oaks Area						
Woodson & Greenwood Counties, Kansas						
	Development Drilling			Waterflood		Total
Date	Investment	Description	Investment	Description		Project
Nov-07	\$ 190,000	Drill 2 Development Wells				\$ 190,000
Dec-07			\$ 320,000	Drill 4 Injection Wells		\$ 320,000
Jan-08						\$ -
Feb-08						\$ -
Mar-08	\$ 380,000	Drill 4 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 460,000
Apr-08	\$ 380,000	Drill 4 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 460,000
May-08	\$ 380,000	Drill 4 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 460,000
Jun-08	\$ 380,000	Drill 4 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 460,000
Jul-08	\$ 380,000	Drill 4 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 460,000
Aug-08	\$ 285,000	Drill 3 Development Wells	\$ 160,000	Drill 2 Injection Wells		\$ 445,000
Sep-08			\$ 915,475	Drill 5 Injection Well + Injection Plant etc.		\$ 915,475
Oct-08			\$ 400,000	Drill 5 Injection Well		\$ 400,000
Nov-08			\$ 400,000	Drill 5 Injection Well		\$ 400,000
Dec-08			\$ 400,000	Drill 5 Injection Well		\$ 400,000
Jan-09			\$ 400,000	Drill 5 Injection Well		\$ 400,000
Total	\$ 2,375,000		\$ 3,395,475			\$ 5,770,475

## Economic Summary

### Nickel Town Area - Base Case

Based on Constant \$70/Bbl  
Reversion of 5% Carried Interest to 30% WI on 1/2014

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	47	-	-	47
Drilled - Not Online	-	-	-	-
Conversion to Injector	-	-	7	7
Future Drilling	-	75	60	135
Total	47	75	67	189
Gross Cumulative Oil	2,014,188	-	-	2,014,188
Gross Remaining Oil	169,954	375,000	950,000	1,494,954
Gross Ultimate Oil	2,184,142	375,000	950,000	3,509,142
Net Remaining Oil - Bbls	113,453	272,797	606,112	992,362
Economic Life - Years	29.4	18.5	41.5	41.5
Required Investment	\$ -	\$ 7,125,000	\$ 6,495,380	\$ 13,620,380
Future Net Cashflow				
Undiscounted	\$ 3,792,690	\$ 7,944,013	\$ 27,997,468	\$ 39,734,171
5% Discounted	\$ 2,672,539	\$ 5,276,841	\$ 13,337,686	\$ 21,287,066
8% Discounted	\$ 2,262,195	\$ 4,124,304	\$ 8,818,066	\$ 15,204,565
9% Discounted	\$ 2,151,976	\$ 3,794,859	\$ 7,689,204	\$ 13,636,039
10% Discounted	\$ 2,052,147	\$ 3,488,730	\$ 6,699,674	\$ 12,240,551
12% Discounted	\$ 1,878,553	\$ 2,938,460	\$ 5,056,938	\$ 9,873,951
15% Discounted	\$ 1,668,835	\$ 2,243,289	\$ 3,214,140	\$ 7,126,264
20% Discounted	\$ 1,411,438	\$ 1,348,745	\$ 1,192,887	\$ 3,953,070
30% Discounted	\$ 1,089,517	\$ 195,527	\$ (868,082)	\$ 416,962



## Economic Summary

### Nickel Town Area - Low Case

Based on Constant \$70/Bbl  
Reversion of 5% Carried Interest to 30% WI on 1/2014

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	47	-	-	47
Drilled - Not Online	-	-	-	-
Conversion to Injector	-	-	7	7
Future Drilling	-	75	60	135
Total	47	75	67	189
Gross Cumulative Oil	2,014,188	-	-	2,014,188
Gross Remaining Oil	169,954	375,000	475,000	1,019,954
Gross Ultimate Oil	2,184,142	375,000	475,000	3,034,142
Net Remaining Oil - Bbls	113,453	272,797	291,033	677,283
Economic Life - Years	29.4	18.5	50.0	50.0
Required Investment	\$ -	\$ 7,125,000	\$ 6,495,380	\$ 13,620,380
Future Net Cashflow				
Undiscounted	\$ 3,792,690	\$ 7,944,013	\$ 3,898,877	\$ 15,635,580
5% Discounted	\$ 2,672,539	\$ 5,276,841	\$ (1,568,155)	\$ 6,381,225
8% Discounted	\$ 2,262,195	\$ 4,124,304	\$ (2,847,862)	\$ 3,538,637
9% Discounted	\$ 2,151,976	\$ 3,794,859	\$ (3,126,655)	\$ 2,820,180
10% Discounted	\$ 2,052,147	\$ 3,488,730	\$ (3,355,092)	\$ 2,185,785
12% Discounted	\$ 1,878,553	\$ 2,938,460	\$ (3,696,722)	\$ 1,120,291
15% Discounted	\$ 1,668,835	\$ 2,243,289	\$ (4,011,397)	\$ (99,273)
20% Discounted	\$ 1,411,438	\$ 1,348,745	\$ (4,237,771)	\$ (1,477,588)
30% Discounted	\$ 1,089,517	\$ 195,527	\$ (4,225,235)	\$ (2,940,191)

## Economic Summary

### Nickel Town Area - High Case

Based on Constant \$70/Bbl  
Reversion of 5% Carried Interest to 30% WI on 1/2014

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	47	-	-	47
Drilled - Not Online	-	-	-	-
Conversion to Injector	-	-	7	7
Future Drilling	-	75	60	135
Total	47	75	67	189
Gross Cumulative Oil	2,014,188	-	-	2,014,188
Gross Remaining Oil	169,954	375,000	1,425,000	1,969,954
Gross Ultimate Oil	2,184,142	375,000	1,425,000	3,984,142
Net Remaining Oil - Bbls	113,453	272,797	924,265	1,310,515
Economic Life - Years	29.4	18.5	39.3	39.3
Required Investment	\$ -	\$ 7,125,000	\$ 6,495,380	\$ 13,620,380
Future Net Cashflow				
Undiscounted	\$ 3,792,690	\$ 7,944,013	\$ 50,575,746	\$ 62,312,449
5% Discounted	\$ 2,672,539	\$ 5,276,841	\$ 28,015,456	\$ 35,964,836
8% Discounted	\$ 2,262,195	\$ 4,124,304	\$ 20,559,610	\$ 26,946,109
9% Discounted	\$ 2,151,976	\$ 3,794,859	\$ 18,641,656	\$ 24,588,491
10% Discounted	\$ 2,052,147	\$ 3,488,730	\$ 16,938,072	\$ 22,478,949
12% Discounted	\$ 1,878,553	\$ 2,938,460	\$ 14,056,854	\$ 18,873,867
15% Discounted	\$ 1,668,835	\$ 2,243,289	\$ 10,728,410	\$ 14,640,534
20% Discounted	\$ 1,411,438	\$ 1,348,745	\$ 6,915,551	\$ 9,675,734
30% Discounted	\$ 1,089,517	\$ 195,527	\$ 2,718,439	\$ 4,003,483

Investment Schedule						
Nickel Town Area						
Woodson County, Kansas						
	Development Drilling			Waterflood		Total
Date	Investment	Description	Investment	Description		Project
Apr-08	\$ 760,000	Drill 8 Development Wells				\$ 760,000
May-08	\$ 760,000	Drill 8 Development Wells				\$ 760,000
Jun-08	\$ 760,000	Drill 8 Development Wells				\$ 760,000
Jul-08	\$ 380,000	Drill 4 Development Wells	\$ 1,167,690	Drill 4 Injection Wells + Injection Plant etc.		\$ 1,547,690
Aug-08	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Sep-08	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Oct-08	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Nov-08	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Dec-08	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Jan-09	\$ 380,000	Drill 4 Development Wells	\$ 1,167,690	Drill 4 Injection Wells + Injection Plant etc.		\$ 1,547,690
Feb-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Mar-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Apr-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
May-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Jun-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Wells		\$ 700,000
Jul-09	\$ 285,000	Drill 3 Development Wells	\$ 400,000	Drill 5 Injection Wells		\$ 685,000
Aug-09			\$ 560,000	Drill 7 Injection Wells		\$ 560,000
Total	\$ 7,125,000		\$ 6,495,380			\$ 13,620,380

## Economic Summary

### Black Oaks & Nickel Town Areas Combined - Base Case

Based on Constant \$70/Bbl

Reversion of 5% Carried Interest to 30% WI on 1/2013 (Black Oaks) or 1/2014 (Nickel Town)

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	100	-	5	105
Drilled - Not Online	-	7	4	11
Conversion to Injector	-	-	7	7
Future Drilling	-	100	96	196
Total	100	107	112	319
Gross Cumulative Oil	4,911,085	-	-	4,911,085
Gross Remaining Oil	534,014	535,000	2,600,000	3,669,014
Gross Ultimate Oil	5,445,099	535,000	2,600,000	8,580,099
Net Remaining Oil - Bbls	348,280	386,372	1,631,787	2,366,439
Economic Life - Years	38.1	18.5	50.0	50.0
Required Investment	\$ -	\$ 9,500,000	\$ 9,890,855	\$ 19,390,855
Future Net Cashflow				
Undiscounted	\$ 14,293,665	\$ 11,818,816	\$ 89,049,503	\$ 115,161,984
5% Discounted	\$ 9,638,162	\$ 8,114,219	\$ 45,097,509	\$ 62,849,890
8% Discounted	\$ 8,050,525	\$ 6,501,064	\$ 32,125,619	\$ 46,677,208
9% Discounted	\$ 7,634,294	\$ 6,038,114	\$ 28,911,318	\$ 42,583,726
10% Discounted	\$ 7,260,855	\$ 5,607,071	\$ 26,097,234	\$ 38,965,160
12% Discounted	\$ 6,619,183	\$ 4,829,932	\$ 21,423,327	\$ 32,872,442
15% Discounted	\$ 5,856,107	\$ 3,843,062	\$ 16,151,874	\$ 25,851,043
20% Discounted	\$ 4,935,351	\$ 2,562,162	\$ 10,267,500	\$ 17,765,013
30% Discounted	\$ 3,802,479	\$ 882,027	\$ 3,944,663	\$ 8,629,169

## Economic Summary

### Black Oaks & Nickel Town Areas Combined - Low Case

Based on Constant \$70/Bbl

Reversion of 5% Carried Interest to 30% WI on 1/2013 (Black Oaks) or 1/2014 (Nickel Town)

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	100	-	5	105
Drilled - Not Online	-	7	4	11
Conversion to Injector	-	-	7	7
Future Drilling	-	100	96	196
Total	100	107	112	319
Gross Cumulative Oil	4,911,085	-	-	4,911,085
Gross Remaining Oil	534,014	535,000	1,300,000	2,369,014
Gross Ultimate Oil	5,445,099	535,000	1,300,000	7,280,099
Net Remaining Oil - Bbls	348,280	386,372	794,388	1,529,040
Economic Life - Years	38.1	18.5	50.0	50.0
Required Investment	\$ -	\$ 9,500,000	\$ 9,890,855	\$ 19,390,855
Future Net Cashflow				
Undiscounted	\$ 14,293,665	\$ 11,818,816	\$ 28,821,662	\$ 54,934,143
5% Discounted	\$ 9,638,162	\$ 8,114,219	\$ 8,487,562	\$ 26,239,943
8% Discounted	\$ 8,050,525	\$ 6,501,064	\$ 3,508,633	\$ 18,060,222
9% Discounted	\$ 7,634,294	\$ 6,038,114	\$ 2,369,534	\$ 16,041,942
10% Discounted	\$ 7,260,855	\$ 5,607,071	\$ 1,407,007	\$ 14,274,933
12% Discounted	\$ 6,619,183	\$ 4,829,932	\$ (113,694)	\$ 11,335,421
15% Discounted	\$ 5,856,107	\$ 3,843,062	\$ (1,696,579)	\$ 8,002,590
20% Discounted	\$ 4,935,351	\$ 2,562,162	\$ (3,258,383)	\$ 4,239,130
30% Discounted	\$ 3,802,479	\$ 882,027	\$ (4,575,114)	\$ 109,392

## Economic Summary

### Black Oaks & Nickel Town Areas Combined - High Case

Based on Constant \$70/Bbl

Reversion of 5% Carried Interest to 30% WI on 1/2013 (Black Oaks) or 1/2014 (Nickel Town)

	Proved Developed Producing	Development Drilling	Waterflood	Total Project
Well Count				
Active (10/2007)	100	-	5	105
Drilled - Not Online	-	7	4	11
Conversion to Injector	-	-	7	7
Future Drilling	-	100	96	196
Total	100	107	112	319
Gross Cumulative Oil	4,911,085	-	-	4,911,085
Gross Remaining Oil	534,014	535,000	3,900,000	4,969,014
Gross Ultimate Oil	5,445,099	535,000	3,900,000	9,880,099
Net Remaining Oil - Bbls	348,280	386,372	2,471,876	3,206,528
Economic Life - Years	38.1	18.5	50.0	50.0
Required Investment	\$ -	\$ 9,500,000	\$ 9,890,855	\$ 19,390,855
Future Net Cashflow				
Undiscounted	\$ 14,293,665	\$ 11,818,816	\$ 147,770,440	\$ 173,882,921
5% Discounted	\$ 9,638,162	\$ 8,114,219	\$ 81,017,529	\$ 98,769,910
8% Discounted	\$ 8,050,525	\$ 6,501,064	\$ 60,426,656	\$ 74,978,245
9% Discounted	\$ 7,634,294	\$ 6,038,114	\$ 55,225,920	\$ 68,898,328
10% Discounted	\$ 7,260,855	\$ 5,607,071	\$ 50,634,246	\$ 63,502,172
12% Discounted	\$ 6,619,183	\$ 4,829,932	\$ 42,918,676	\$ 54,367,791
15% Discounted	\$ 5,856,107	\$ 3,843,062	\$ 34,060,191	\$ 43,759,360
20% Discounted	\$ 4,935,351	\$ 2,562,162	\$ 23,923,176	\$ 31,420,689
30% Discounted	\$ 3,802,479	\$ 882,027	\$ 12,598,772	\$ 17,283,278

Investment Schedule						
Black Oaks & Nickel Town Combined Area						
Woodson & Greenwood Counties, Kansas						
	Development Drilling			Waterflood		Total
Date	Investment	Description	Investment	Description		Project
Nov-07	\$ 190,000	Drill 2 Development Wells				\$ 190,000
Dec-07			\$ 320,000	Drill 4 Injection Wells		\$ 320,000
Jan-08						\$ -
Feb-08						\$ -
Mar-08	\$ 380,000	Drill 4 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 460,000
Apr-08	\$ 1,140,000	Drill 12 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 1,220,000
May-08	\$ 1,140,000	Drill 12 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 1,220,000
Jun-08	\$ 1,140,000	Drill 12 Development Wells	\$ 80,000	Drill 1 Injection Well		\$ 1,220,000
Jul-08	\$ 760,000	Drill 8 Development Wells	\$ 1,247,690	Drill 5 Injection Well + Injection Plant etc.		\$ 2,007,690
Aug-08	\$ 665,000	Drill 7 Development Wells	\$ 480,000	Drill 6 Injection Wells		\$ 1,145,000
Sep-08	\$ 380,000	Drill 4 Development Wells	\$ 1,235,475	Drill 9 Injection Well + Injection Plant etc.		\$ 1,615,475
Oct-08	\$ 380,000	Drill 4 Development Wells	\$ 720,000	Drill 9 Injection Well		\$ 1,100,000
Nov-08	\$ 380,000	Drill 4 Development Wells	\$ 720,000	Drill 9 Injection Well		\$ 1,100,000
Dec-08	\$ 380,000	Drill 4 Development Wells	\$ 720,000	Drill 9 Injection Well		\$ 1,100,000
Jan-09	\$ 380,000	Drill 4 Development Wells	\$ 1,567,690	Drill 9 Injection Well + Injection Plant etc.		\$ 1,947,690
Feb-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Well		\$ 700,000
Mar-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Well		\$ 700,000
Apr-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Well		\$ 700,000
May-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Well		\$ 700,000
Jun-09	\$ 380,000	Drill 4 Development Wells	\$ 320,000	Drill 4 Injection Well		\$ 700,000
Jul-09	\$ 285,000	Drill 3 Development Wells	\$ 400,000	Drill 8 Injection Well		\$ 685,000
Aug-09			\$ 560,000	Drill 7 Injection Well		\$ 560,000
Total	\$ 9,500,000		\$ 9,890,855			\$ 19,390,855

Lease Name: BLACK OAKS - CURRENT PRODUCERS ()

Operator:

Reservoir: MISSISSIPPI

County, ST: WOODSON/GREENWOOD, KS

Location: VARIOUS

EnerJex Resources Interests

Based on Constant \$70/Bbl

Date: 10/17/2007

Time: 1:58 PM

Black Oaks

Proved Developed Producing

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	53	5,051	0	4,041	0	70.00	0.00	282,865
12/2008	53	19,631	0	15,705	0	70.00	0.00	1,099,336
12/2009	53	18,744	0	14,995	0	70.00	0.00	1,049,685
12/2010	53	17,898	0	14,318	0	70.00	0.00	1,002,276
12/2011	53	17,089	0	13,672	0	70.00	0.00	957,008
12/2012	53	16,318	0	13,054	0	70.00	0.00	913,785
12/2013	53	15,581	0	9,464	0	70.00	0.00	662,447
12/2014	53	14,877	0	8,770	0	70.00	0.00	613,868
12/2015	53	14,205	0	8,373	0	70.00	0.00	586,143
12/2016	53	13,563	0	7,995	0	70.00	0.00	559,670
12/2017	53	12,951	0	7,634	0	70.00	0.00	534,392
12/2018	53	12,366	0	7,289	0	70.00	0.00	510,256
12/2019	53	11,807	0	6,960	0	70.00	0.00	487,211
12/2020	53	11,274	0	6,646	0	70.00	0.00	465,206
12/2021	53	10,765	0	6,346	0	70.00	0.00	444,195
Remainder:		151,940	0	89,565	0	70.00	0.00	6,269,517
Grand Total:		364,060	0	234,827	0	70.00	0.00	16,437,859

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	50,880	3,196	228,789	0	228,789	228,789	225,193
12/2008	203,520	12,422	883,394	0	883,394	1,112,182	819,866
12/2009	203,520	11,861	834,303	0	834,303	1,946,485	703,918
12/2010	203,520	11,326	787,430	0	787,430	2,733,915	603,976
12/2011	203,520	10,814	742,674	0	742,674	3,476,589	517,864
12/2012	203,520	10,326	699,939	0	699,939	4,176,527	443,698
12/2013	147,552	7,486	507,409	0	507,409	4,683,937	292,770
12/2014	142,464	6,937	464,468	0	464,468	5,148,404	243,332
12/2015	142,464	6,623	437,055	0	437,055	5,585,460	208,157
12/2016	142,464	6,324	410,881	0	410,881	5,996,341	177,903
12/2017	142,464	6,039	385,890	0	385,890	6,382,231	151,894
12/2018	142,464	5,766	362,027	0	362,027	6,744,257	129,547
12/2019	142,464	5,505	339,241	0	339,241	7,083,499	110,359
12/2020	142,464	5,257	317,485	0	317,485	7,400,984	93,893
12/2021	142,464	5,019	296,711	0	296,711	7,697,695	79,773
Remainder:	3,395,392	70,846	2,803,280	0	2,803,280	10,500,975	406,565
Grand Total:	5,751,136	185,748	10,500,975	0	10,500,975	10,500,975	5,208,708

**Discount Present Worth:**

0.00 %	10,500,975
5.00 %	6,965,622
8.00 %	5,788,330
9.00 %	5,482,318
10.00 %	5,208,708
12.00 %	4,740,630
15.00 %	4,187,272
20.00 %	3,523,912
30.00 %	2,712,962
50.00 %	1,914,723
100.00 %	1,187,588

**Initial Division of Interest:**

WI: 100.000000

**NRI**

Oil: 80.000000

Gas: 80.000000

Injection: 0.000000

**ORI**

0.000000

0.000000

0.000000

Reversion Date: 01/2013

**Economic Dates:**

Effective Date	10/2007
Calculated Limit	10/2045
Economic Life	457 Months
	38 Years 1 Month

**Economics Summary:**

	Bbl Oil	Mcf Gas
Ultimate Gross	3,260,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	364,060	0
Remaining Net	234,827	0

**Economics Information:**

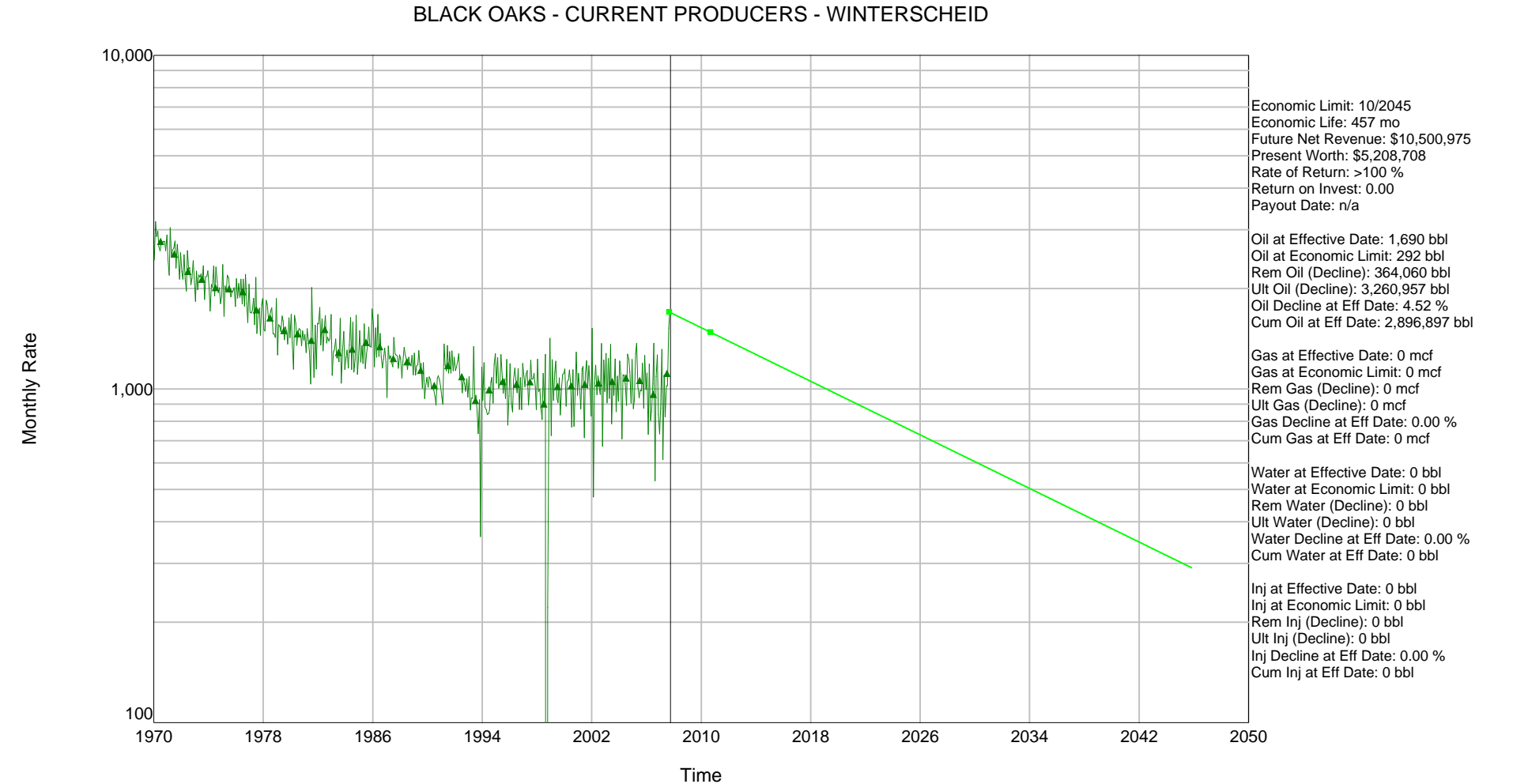
Net Payout Date:	10/2007
Rate of Return:	>100 %
Return on Investment:	0.00
Disc Return on Invest:	0.00



Lease Name: BLACK OAKS - CURRENT PRODUCERS ()  
Operator:  
Reservoir: MISSISSIPPI  
County, ST: WOODSON/GREENWOOD, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl  
  
Black Oaks  
Proved Developed Producing

Date: 10/17/2007  
Time: 1:58 PM



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,260,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	364,060	0
Remaining Net	234,827	0

Black Oaks  
Development Drilling

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	5	1,753	0	1,402	0	70.00	0.00	98,146
12/2008	22	20,448	0	16,358	0	70.00	0.00	1,145,071
12/2009	32	21,133	0	16,907	0	70.00	0.00	1,183,465
12/2010	32	18,094	0	14,475	0	70.00	0.00	1,013,243
12/2011	32	15,590	0	12,472	0	70.00	0.00	873,049
12/2012	32	13,433	0	10,746	0	70.00	0.00	752,252
12/2013	32	11,574	0	7,040	0	70.00	0.00	492,803
12/2014	32	9,973	0	5,879	0	70.00	0.00	411,517
12/2015	32	8,593	0	5,065	0	70.00	0.00	354,579
12/2016	32	7,404	0	4,365	0	70.00	0.00	305,519
12/2017	32	6,380	0	3,761	0	70.00	0.00	263,246
12/2018	32	5,497	0	3,240	0	70.00	0.00	226,823
12/2019	32	4,736	0	2,792	0	70.00	0.00	195,440
12/2020	32	4,081	0	2,406	0	70.00	0.00	168,398
12/2021	32	3,516	0	2,073	0	70.00	0.00	145,098
Remainder:		7,794	0	4,595	0	70.00	0.00	321,617
Grand Total:		160,000	0	113,575	0	70.00	0.00	7,950,265

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	5,120	1,109	91,917	190,000	-98,083	-98,083	-96,926
12/2008	83,200	12,939	1,048,932	2,185,000	-1,136,068	-1,234,151	-1,080,236
12/2009	122,880	13,373	1,047,212	0	1,047,212	-186,939	884,561
12/2010	122,880	11,450	878,913	0	878,913	691,974	674,738
12/2011	122,880	9,865	740,303	0	740,303	1,432,277	516,678
12/2012	122,880	8,500	620,872	0	620,872	2,053,148	393,945
12/2013	89,088	5,569	398,146	0	398,146	2,451,294	229,961
12/2014	86,016	4,650	320,851	0	320,851	2,772,145	168,262
12/2015	86,016	4,007	264,556	0	264,556	3,036,701	126,136
12/2016	86,016	3,452	216,050	0	216,050	3,252,751	93,653
12/2017	86,016	2,975	174,256	0	174,256	3,427,007	68,676
12/2018	86,016	2,563	138,244	0	138,244	3,565,251	49,538
12/2019	86,016	2,208	107,215	0	107,215	3,672,466	34,934
12/2020	86,016	1,903	80,479	0	80,479	3,752,946	23,846
12/2021	86,016	1,640	57,443	0	57,443	3,810,388	15,481
Remainder:	253,568	3,634	64,415	0	64,415	3,874,803	15,093
Grand Total:	1,610,624	89,838	6,249,803	2,375,000	3,874,803	3,874,803	2,118,341

## Discount Present Worth:

0.00 %	3,874,803
5.00 %	2,837,378
8.00 %	2,376,760
9.00 %	2,243,255
10.00 %	2,118,341
12.00 %	1,891,473
15.00 %	1,599,773
20.00 %	1,213,417
30.00 %	686,500
50.00 %	129,683
100.00 %	-332,423

## Economic Dates:

Effective Date	10/2007
Calculated Limit	04/2025
Economic Life	211 Months
	17 Years 7 Months

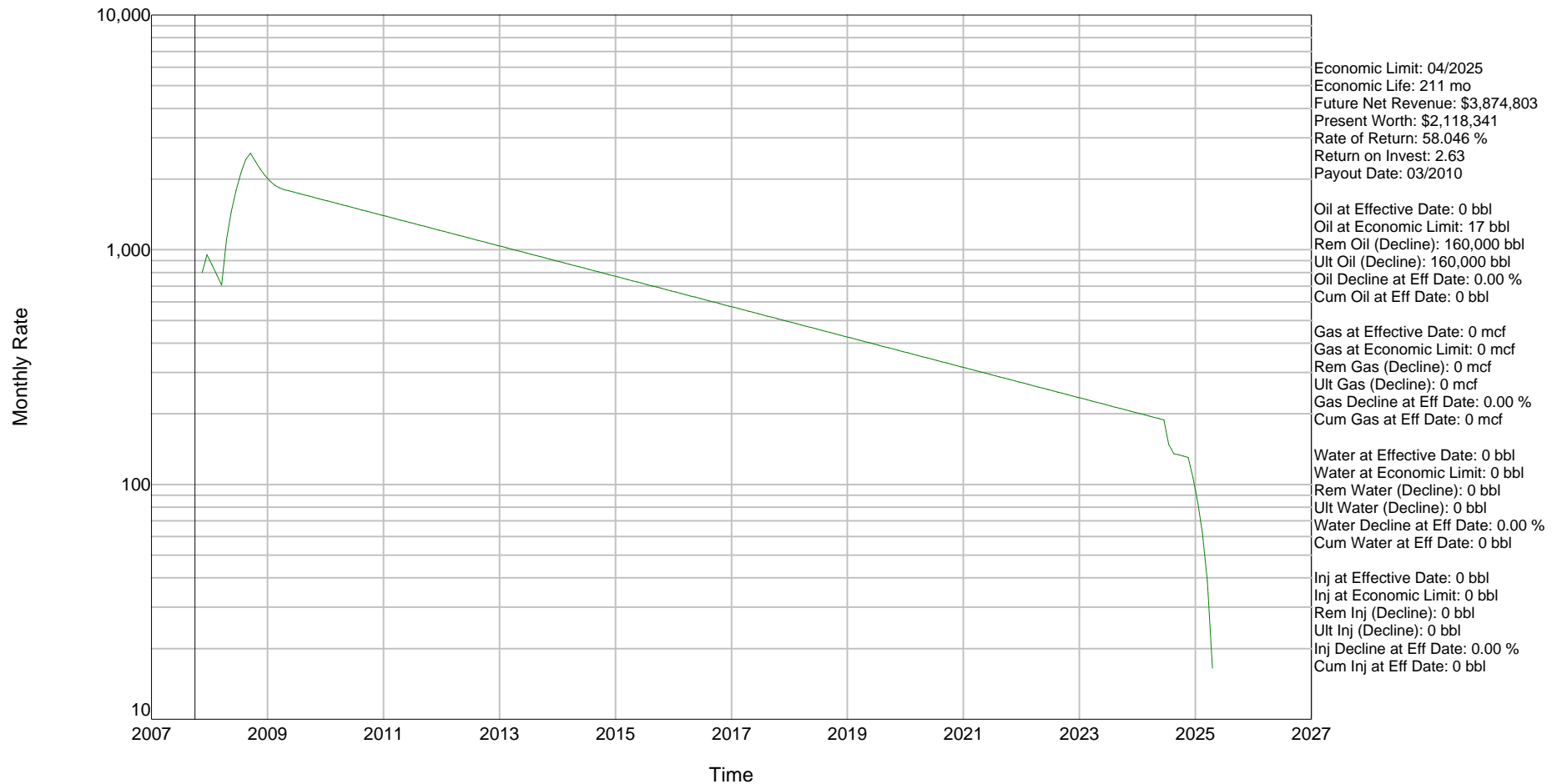
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	160,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	160,000	0
Remaining Net	113,575	0

## Economics Information:

Net Payout Date:	03/2010
Rate of Return:	58.05 %
Return on Investment:	2.63
Disc Return on Invest:	1.95

Black Oaks  
Development Drilling



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	160,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	160,000	0
Remaining Net	113,575	0

## Black Oaks

Proved Developed Producing + Development Drilling

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	58	6,804	0	5,443	0	70.00	0.00	381,011
12/2008	75	40,079	0	32,063	0	70.00	0.00	2,244,407
12/2009	85	39,878	0	31,902	0	70.00	0.00	2,233,149
12/2010	85	35,991	0	28,793	0	70.00	0.00	2,015,518
12/2011	85	32,680	0	26,144	0	70.00	0.00	1,830,056
12/2012	85	29,751	0	23,801	0	70.00	0.00	1,666,037
12/2013	85	27,155	0	16,504	0	70.00	0.00	1,155,250
12/2014	85	24,850	0	14,648	0	70.00	0.00	1,025,385
12/2015	85	22,798	0	13,439	0	70.00	0.00	940,722
12/2016	85	20,968	0	12,360	0	70.00	0.00	865,188
12/2017	85	19,331	0	11,395	0	70.00	0.00	797,639
12/2018	85	17,863	0	10,530	0	70.00	0.00	737,080
12/2019	85	16,544	0	9,752	0	70.00	0.00	682,650
12/2020	85	15,355	0	9,051	0	70.00	0.00	633,604
12/2021	85	14,281	0	8,418	0	70.00	0.00	589,293
Remainder:		159,734	0	94,159	0	70.00	0.00	6,591,135
Grand Total:		524,060	0	348,402	0	70.00	0.00	24,388,124

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	56,000	4,305	320,705	190,000	130,705	130,705	128,267
12/2008	286,720	25,362	1,932,326	2,185,000	-252,674	-121,969	-260,370
12/2009	326,400	25,235	1,881,515	0	1,881,515	1,759,546	1,588,479
12/2010	326,400	22,775	1,666,343	0	1,666,343	3,425,889	1,278,714
12/2011	326,400	20,680	1,482,977	0	1,482,977	4,908,865	1,034,542
12/2012	326,400	18,826	1,320,810	0	1,320,810	6,229,676	837,643
12/2013	236,640	13,054	905,555	0	905,555	7,135,231	522,730
12/2014	228,480	11,587	785,318	0	785,318	7,920,549	411,595
12/2015	228,480	10,630	701,611	0	701,611	8,622,161	334,293
12/2016	228,480	9,777	626,932	0	626,932	9,249,093	271,555
12/2017	228,480	9,013	560,145	0	560,145	9,809,238	220,570
12/2018	228,480	8,329	500,271	0	500,271	10,309,509	179,085
12/2019	228,480	7,714	446,456	0	446,456	10,755,965	145,293
12/2020	228,480	7,160	397,964	0	397,964	11,153,929	117,739
12/2021	228,480	6,659	354,154	0	354,154	11,508,083	95,254
Remainder:	3,648,960	74,480	2,867,695	0	2,867,695	14,375,778	421,658
Grand Total:	7,361,760	275,586	16,750,778	2,375,000	14,375,778	14,375,778	7,327,049

## Discount Present Worth:

0.00 %	14,375,778
5.00 %	9,803,000
8.00 %	8,165,090
9.00 %	7,725,573
10.00 %	7,327,049
12.00 %	6,632,102
15.00 %	5,787,045
20.00 %	4,737,329
30.00 %	3,399,462
50.00 %	2,044,406
100.00 %	855,164

## Economic Dates:

Effective Date	10/2007
Calculated Limit	10/2045
Economic Life	457 Months
	38 Years 1 Month

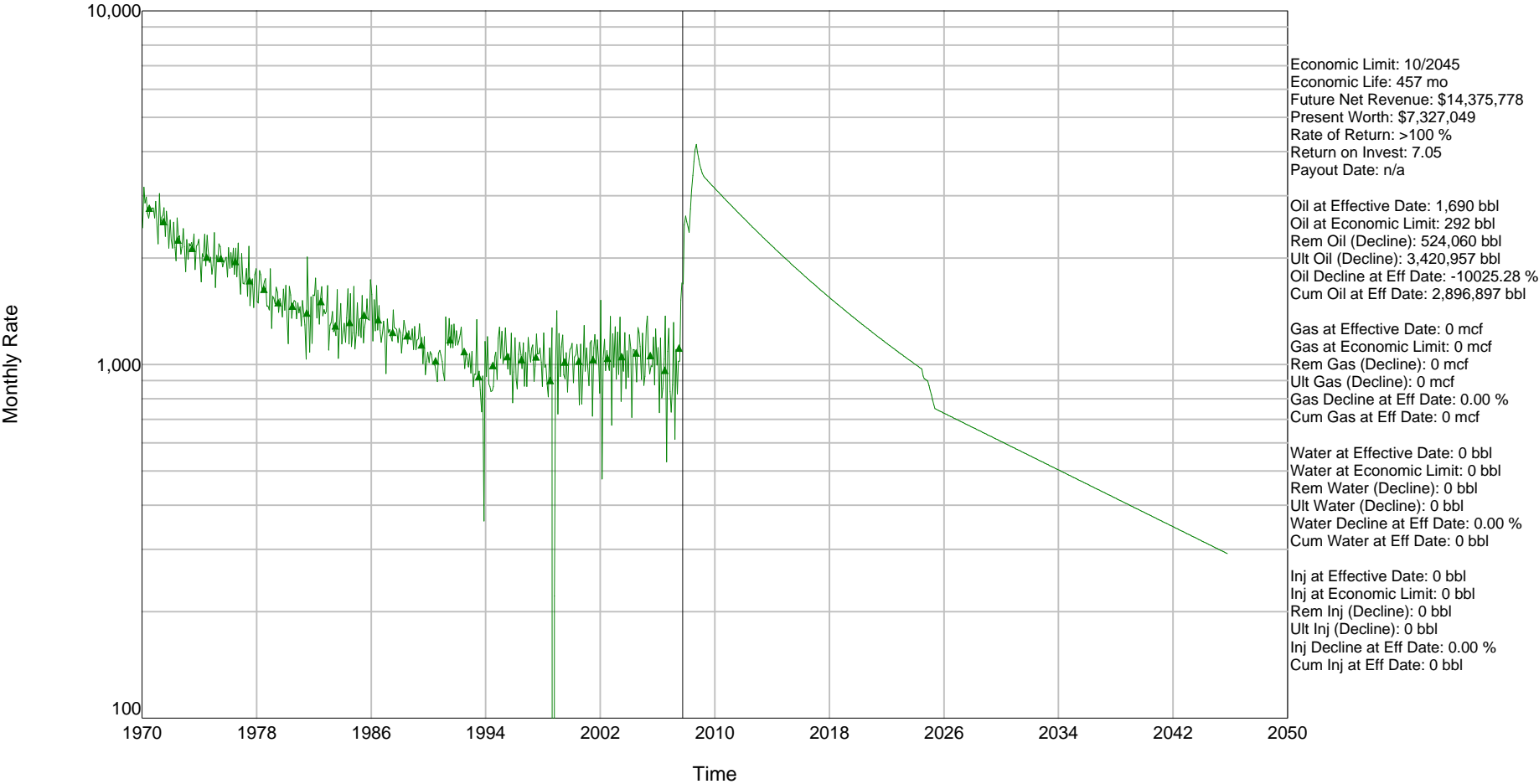
## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	>100 %
Return on Investment:	7.05
Disc Return on Invest:	4.28

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,420,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	524,060	0
Remaining Net	348,402	0

Black Oaks  
Proved Developed Producing + Development Drilling



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,420,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	524,060	0
Remaining Net	348,402	0

Lease Name: BLACK OAKS WF (BASE CASE) ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON/GREENWOOD, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/17/2007  
 Time: 2:03 PM

Black Oaks - Base Case  
 Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	6	0	0	0	0	0.00	0.00	0
12/2008	18	152	0	121	0	70.00	0.00	8,504
12/2009	45	4,803	0	3,843	0	70.00	0.00	268,975
12/2010	45	63,157	0	50,525	0	70.00	0.00	3,536,782
12/2011	45	87,219	0	69,776	0	70.00	0.00	4,884,289
12/2012	45	89,326	0	71,461	0	70.00	0.00	5,002,276
12/2013	45	85,311	0	51,825	0	70.00	0.00	3,627,784
12/2014	45	80,523	0	47,466	0	70.00	0.00	3,322,637
12/2015	45	76,003	0	44,802	0	70.00	0.00	3,136,144
12/2016	45	71,738	0	42,287	0	70.00	0.00	2,960,118
12/2017	45	67,711	0	39,914	0	70.00	0.00	2,793,972
12/2018	45	63,911	0	37,674	0	70.00	0.00	2,637,152
12/2019	45	60,323	0	35,559	0	70.00	0.00	2,489,134
12/2020	45	56,938	0	33,563	0	70.00	0.00	2,349,424
12/2021	45	53,742	0	31,679	0	70.00	0.00	2,217,555
Remainder:		789,142	0	465,179	0	70.00	0.00	32,562,509
Grand Total:		1,650,000	0	1,025,675	0	70.00	0.00	71,797,257

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	4,750	0	-4,750	320,000	-324,750	-324,750	-317,133
12/2008	53,500	96	-45,092	2,675,475	-2,720,567	-3,045,317	-2,469,595
12/2009	133,750	3,039	132,186	400,000	-267,814	-3,313,132	-245,680
12/2010	135,000	39,966	3,361,817	0	3,361,817	48,685	2,549,839
12/2011	135,000	55,192	4,694,097	0	4,694,097	4,742,782	3,270,715
12/2012	135,000	56,526	4,810,751	0	4,810,751	9,553,532	3,048,415
12/2013	97,875	40,994	3,488,916	0	3,488,916	13,042,448	2,013,191
12/2014	94,500	37,546	3,190,591	0	3,190,591	16,233,039	1,671,524
12/2015	94,500	35,438	3,006,205	0	3,006,205	19,239,244	1,431,752
12/2016	94,500	33,449	2,832,169	0	2,832,169	22,071,413	1,226,242
12/2017	94,500	31,572	2,667,901	0	2,667,901	24,739,314	1,050,109
12/2018	94,500	29,800	2,512,852	0	2,512,852	27,252,166	899,165
12/2019	94,500	28,127	2,366,507	0	2,366,507	29,618,673	769,818
12/2020	94,500	26,548	2,228,375	0	2,228,375	31,847,048	658,986
12/2021	94,500	25,058	2,097,997	0	2,097,997	33,945,045	564,028
Remainder:	5,067,563	367,956	27,126,990	0	27,126,990	61,072,035	3,276,184
Grand Total:	6,518,438	811,309	64,467,510	3,395,475	61,072,035	61,072,035	19,397,559

#### Discount Present Worth:

0.00 %	61,072,035
5.00 %	31,759,823
8.00 %	23,307,553
9.00 %	21,222,114
10.00 %	19,397,559
12.00 %	16,366,389
15.00 %	12,937,734
20.00 %	9,074,613
30.00 %	4,812,745
50.00 %	1,358,803
100.00 %	-661,915

#### Initial Division of Interest:

WI:	100.000000	Oil:	80.000000	NRI	0.000000
		Gas:	80.000000	ORI	0.000000
Reversion Date:	01/2013	Injection:	0.000000		0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	1,650,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	1,650,000	0
Remaining Net	1,025,675	0

#### Economics Information:

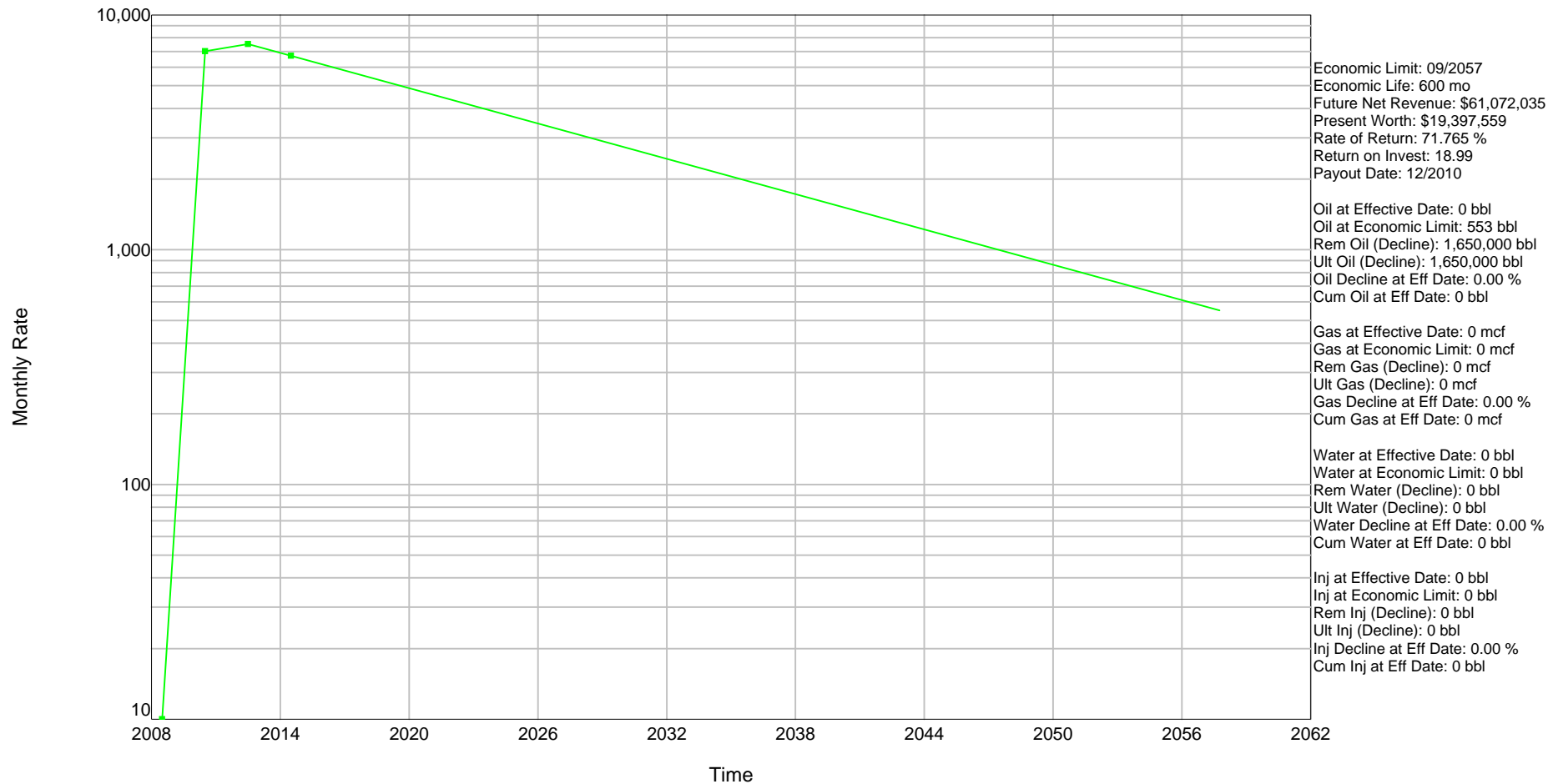
Net Payout Date:	12/2010
Rate of Return:	71.77 %
Return on Investment:	18.99
Disc Return on Invest:	7.27

Lease Name: BLACK OAKS WF (BASE CASE) ()  
Operator: HAAS PETROLEUM  
Reservoir: MISSISSIPPI  
County, ST: WOODSON/GREENWOOD, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl  
  
Black Oaks - Base Case  
Waterflood

Date: 10/17/2007  
Time: 2:04 PM

BLACK OAKS WF (BASE CASE) - WINTERSCHIED



Black Oaks - Base Case

Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	65	6,804	0	5,443	0	70.00	0.00	381,011
12/2008	93	40,231	0	32,184	0	70.00	0.00	2,252,911
12/2009	130	44,681	0	35,745	0	70.00	0.00	2,502,125
12/2010	130	99,148	0	79,319	0	70.00	0.00	5,552,301
12/2011	130	119,899	0	95,919	0	70.00	0.00	6,714,345
12/2012	130	119,077	0	95,262	0	70.00	0.00	6,668,313
12/2013	130	112,467	0	68,329	0	70.00	0.00	4,783,034
12/2014	130	105,373	0	62,115	0	70.00	0.00	4,348,022
12/2015	130	98,802	0	58,241	0	70.00	0.00	4,076,865
12/2016	130	92,705	0	54,647	0	70.00	0.00	3,825,306
12/2017	130	87,042	0	51,309	0	70.00	0.00	3,591,611
12/2018	130	81,773	0	48,203	0	70.00	0.00	3,374,232
12/2019	130	76,867	0	45,311	0	70.00	0.00	3,171,784
12/2020	130	72,293	0	42,615	0	70.00	0.00	2,983,028
12/2021	130	68,023	0	40,098	0	70.00	0.00	2,806,848
Remainder:		948,876	0	559,338	0	70.00	0.00	39,153,644
Grand Total:		2,174,060	0	1,374,077	0	70.00	0.00	96,185,381

Date	Operating Expenses	Taxes	Operating Income	Other Costs	Periodic Cash Flow	Cumulative Cash Flow	10% Cash Flow
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
12/2007	60,750	4,305	315,955	510,000	-194,045	-194,045	-188,865
12/2008	340,220	25,458	1,887,233	4,860,475	-2,973,242	-3,167,286	-2,729,965
12/2009	460,150	28,274	2,013,701	400,000	1,613,701	-1,553,586	1,342,800
12/2010	461,400	62,741	5,028,160	0	5,028,160	3,474,574	3,828,553
12/2011	461,400	75,872	6,177,073	0	6,177,073	9,651,647	4,305,256
12/2012	461,400	75,352	6,131,561	0	6,131,561	15,783,208	3,886,058
12/2013	334,515	54,048	4,394,471	0	4,394,471	20,177,679	2,535,922
12/2014	322,980	49,133	3,975,909	0	3,975,909	24,153,589	2,083,119
12/2015	322,980	46,069	3,707,817	0	3,707,817	27,861,405	1,766,045
12/2016	322,980	43,226	3,459,100	0	3,459,100	31,320,506	1,497,797
12/2017	322,980	40,585	3,228,046	0	3,228,046	34,548,552	1,270,679
12/2018	322,980	38,129	3,013,123	0	3,013,123	37,561,675	1,078,250
12/2019	322,980	35,841	2,812,963	0	2,812,963	40,374,638	915,111
12/2020	322,980	33,708	2,626,340	0	2,626,340	43,000,977	776,726
12/2021	322,980	31,717	2,452,151	0	2,452,151	45,453,128	659,282
Remainder:	8,716,523	442,436	29,994,685	0	29,994,685	75,447,813	3,697,841
Grand Total:	13,880,198	1,086,895	81,218,288	5,770,475	75,447,813	75,447,813	26,724,609

## Discount Present Worth:

0.00 %	75,447,813
5.00 %	41,562,823
8.00 %	31,472,643
9.00 %	28,947,686
10.00 %	26,724,609
12.00 %	22,998,492
15.00 %	18,724,780
20.00 %	13,811,942
30.00 %	8,212,207
50.00 %	3,403,209
100.00 %	193,249

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

## Economics Summary:

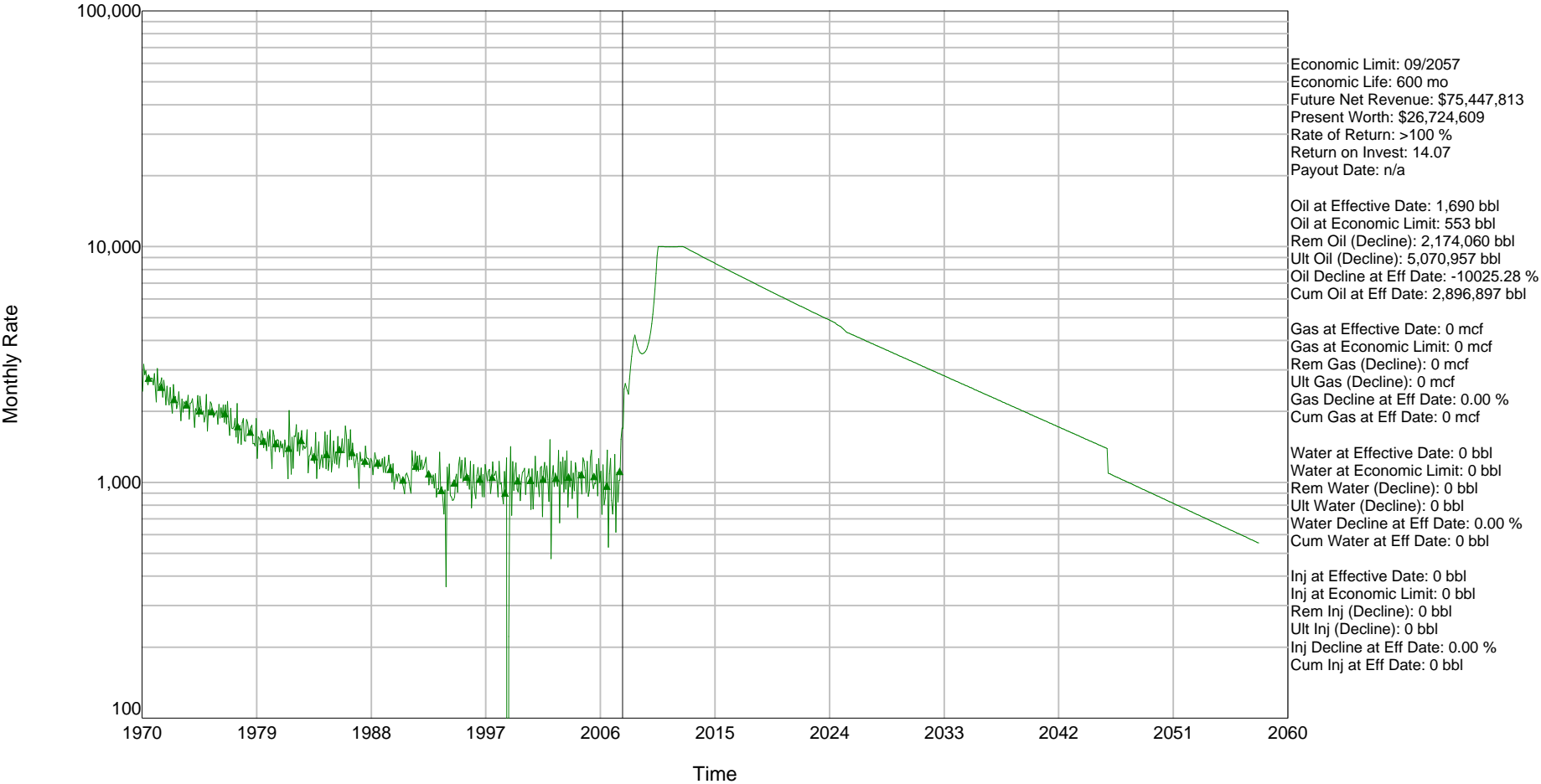
	Bbl Oil	Mcf Gas
Ultimate Gross	5,070,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	2,174,060	0
Remaining Net	1,374,077	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	>100 %
Return on Investment:	14.07
Disc Return on Invest:	6.02



Black Oaks - Base Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	5,070,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	2,174,060	0
Remaining Net	1,374,077	0

Lease Name: BLACK OAKS WF (LOW CASE) ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON/GREENWOOD, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/17/2007  
 Time: 2:07 PM

Black Oaks - Low Case  
 Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	6	0	0	0	0	0.00	0.00	0
12/2008	18	125	0	100	0	70.00	0.00	7,010
12/2009	45	2,248	0	1,798	0	70.00	0.00	125,893
12/2010	45	19,128	0	15,303	0	70.00	0.00	1,071,179
12/2011	45	27,108	0	21,686	0	70.00	0.00	1,518,033
12/2012	45	29,836	0	23,869	0	70.00	0.00	1,670,805
12/2013	45	29,497	0	17,912	0	70.00	0.00	1,253,844
12/2014	45	28,646	0	16,886	0	70.00	0.00	1,182,017
12/2015	45	27,819	0	16,399	0	70.00	0.00	1,147,916
12/2016	45	27,017	0	15,926	0	70.00	0.00	1,114,798
12/2017	45	26,237	0	15,466	0	70.00	0.00	1,082,636
12/2018	45	25,480	0	15,020	0	70.00	0.00	1,051,402
12/2019	45	24,745	0	14,587	0	70.00	0.00	1,021,068
12/2020	45	24,031	0	14,166	0	70.00	0.00	991,610
12/2021	45	23,338	0	13,757	0	70.00	0.00	963,002
Remainder:		509,744	0	300,481	0	70.00	0.00	21,033,637
Grand Total:		825,000	0	503,355	0	70.00	0.00	35,234,851

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	4,750	0	-4,750	320,000	-324,750	-324,750	-317,133
12/2008	53,500	79	-46,569	2,675,475	-2,722,044	-3,046,794	-2,470,918
12/2009	133,750	1,423	-9,280	400,000	-409,280	-3,456,074	-362,010
12/2010	135,000	12,104	924,075	0	924,075	-2,531,999	701,094
12/2011	135,000	17,154	1,365,879	0	1,365,879	-1,166,120	951,039
12/2012	135,000	18,880	1,516,925	0	1,516,925	350,805	960,791
12/2013	97,875	14,168	1,141,800	0	1,141,800	1,492,606	658,689
12/2014	94,500	13,357	1,074,160	0	1,074,160	2,566,766	562,621
12/2015	94,500	12,971	1,040,444	0	1,040,444	3,607,211	495,420
12/2016	94,500	12,597	1,007,701	0	1,007,701	4,614,911	436,208
12/2017	94,500	12,234	975,902	0	975,902	5,590,814	384,040
12/2018	94,500	11,881	945,021	0	945,021	6,535,834	338,079
12/2019	94,500	11,538	915,030	0	915,030	7,450,865	297,592
12/2020	94,500	11,205	885,905	0	885,905	8,336,770	261,927
12/2021	94,500	10,882	857,620	0	857,620	9,194,390	230,513
Remainder:	5,067,563	237,680	15,728,394	0	15,728,394	24,922,785	1,634,148
Grand Total:	6,518,438	398,154	28,318,260	3,395,475	24,922,785	24,922,785	4,762,099

#### Discount Present Worth:

0.00 %	24,922,785
5.00 %	10,055,717
8.00 %	6,356,495
9.00 %	5,496,189
10.00 %	4,762,099
12.00 %	3,583,028
15.00 %	2,314,818
20.00 %	979,387
30.00 %	-349,879
50.00 %	-1,238,498
100.00 %	-1,474,390

#### Initial Division of Interest:

WI:	100.000000	Oil:	80.000000	NRI	0.000000
		Gas:	80.000000	ORI	0.000000
Reversion Date:	01/2013	Injection:	0.000000		0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	825,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	825,000	0
Remaining Net	503,355	0

#### Economics Information:

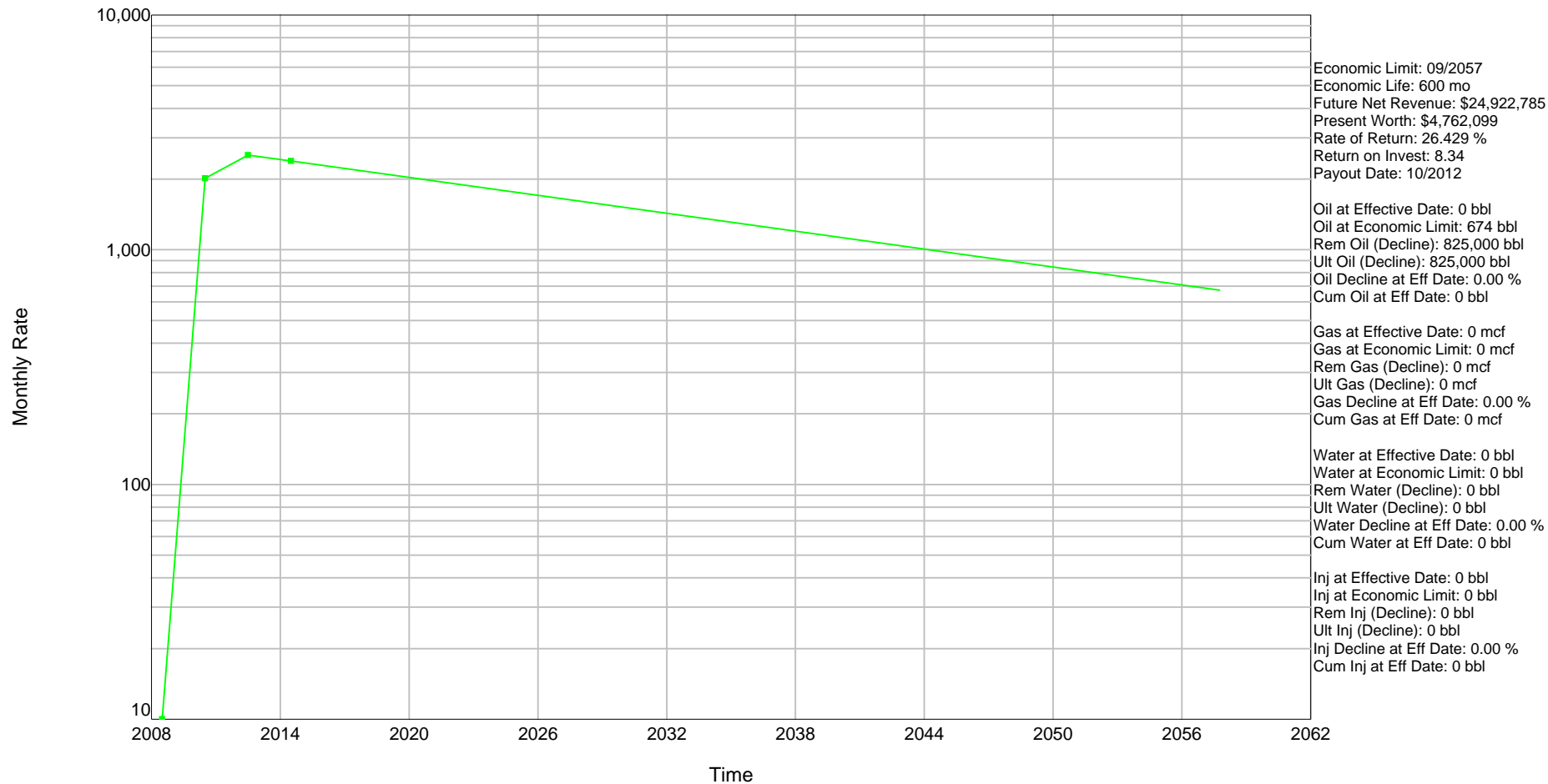
Net Payout Date:	10/2012
Rate of Return:	26.43 %
Return on Investment:	8.34
Disc Return on Invest:	2.54

Lease Name: BLACK OAKS WF (LOW CASE) ()  
Operator: HAAS PETROLEUM  
Reservoir: MISSISSIPPI  
County, ST: WOODSON/GREENWOOD, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl  
  
Black Oaks - Low Case  
Waterflood

Date: 10/17/2007  
Time: 2:08 PM

BLACK OAKS WF (LOW CASE) - WINTERSCHIED



**Economics Summary:**

	Bbl Oil	Mcf Gas
Ultimate Gross	825,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	825,000	0
Remaining Net	503,355	0

Black Oaks - Low Case

Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	65	6,804	0	5,443	0	70.00	0.00	381,011
12/2008	93	40,204	0	32,163	0	70.00	0.00	2,251,418
12/2009	130	42,126	0	33,701	0	70.00	0.00	2,359,042
12/2010	130	55,120	0	44,096	0	70.00	0.00	3,086,698
12/2011	130	59,787	0	47,830	0	70.00	0.00	3,348,090
12/2012	130	59,586	0	47,669	0	70.00	0.00	3,336,842
12/2013	130	56,652	0	34,416	0	70.00	0.00	2,409,093
12/2014	130	53,496	0	31,534	0	70.00	0.00	2,207,402
12/2015	130	50,617	0	29,838	0	70.00	0.00	2,088,637
12/2016	130	47,984	0	28,286	0	70.00	0.00	1,979,986
12/2017	130	45,568	0	26,861	0	70.00	0.00	1,880,275
12/2018	130	43,343	0	25,550	0	70.00	0.00	1,788,481
12/2019	130	41,289	0	24,339	0	70.00	0.00	1,703,719
12/2020	130	39,387	0	23,217	0	70.00	0.00	1,625,214
12/2021	130	37,619	0	22,176	0	70.00	0.00	1,552,295
Remainder:		669,478	0	394,640	0	70.00	0.00	27,624,772
Grand Total:		1,349,060	0	851,757	0	70.00	0.00	59,622,975

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	60,750	4,305	315,955	510,000	-194,045	-194,045	-188,865
12/2008	340,220	25,441	1,885,757	4,860,475	-2,974,718	-3,168,763	-2,731,287
12/2009	460,150	26,657	1,872,235	400,000	1,472,235	-1,696,528	1,226,469
12/2010	461,400	34,880	2,590,418	0	2,590,418	893,890	1,979,809
12/2011	461,400	37,833	2,848,856	0	2,848,856	3,742,746	1,985,581
12/2012	461,400	37,706	2,837,735	0	2,837,735	6,580,481	1,798,434
12/2013	334,515	27,223	2,047,356	0	2,047,356	8,627,837	1,181,419
12/2014	322,980	24,944	1,859,479	0	1,859,479	10,487,316	974,216
12/2015	322,980	23,602	1,742,056	0	1,742,056	12,229,371	829,713
12/2016	322,980	22,374	1,634,633	0	1,634,633	13,864,004	707,763
12/2017	322,980	21,247	1,536,048	0	1,536,048	15,400,052	604,610
12/2018	322,980	20,210	1,445,291	0	1,445,291	16,845,343	517,165
12/2019	322,980	19,252	1,361,487	0	1,361,487	18,206,830	442,885
12/2020	322,980	18,365	1,283,870	0	1,283,870	19,490,699	379,666
12/2021	322,980	17,541	1,211,774	0	1,211,774	20,702,474	325,767
Remainder:	8,716,523	312,160	18,596,089	0	18,596,089	39,298,563	2,055,805
Grand Total:	13,880,198	673,740	45,069,038	5,770,475	39,298,563	39,298,563	12,089,149

## Discount Present Worth:

0.00 %	39,298,563
5.00 %	19,858,717
8.00 %	14,521,585
9.00 %	13,221,762
10.00 %	12,089,149
12.00 %	10,215,131
15.00 %	8,101,864
20.00 %	5,716,716
30.00 %	3,049,583
50.00 %	805,908
100.00 %	-619,226

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

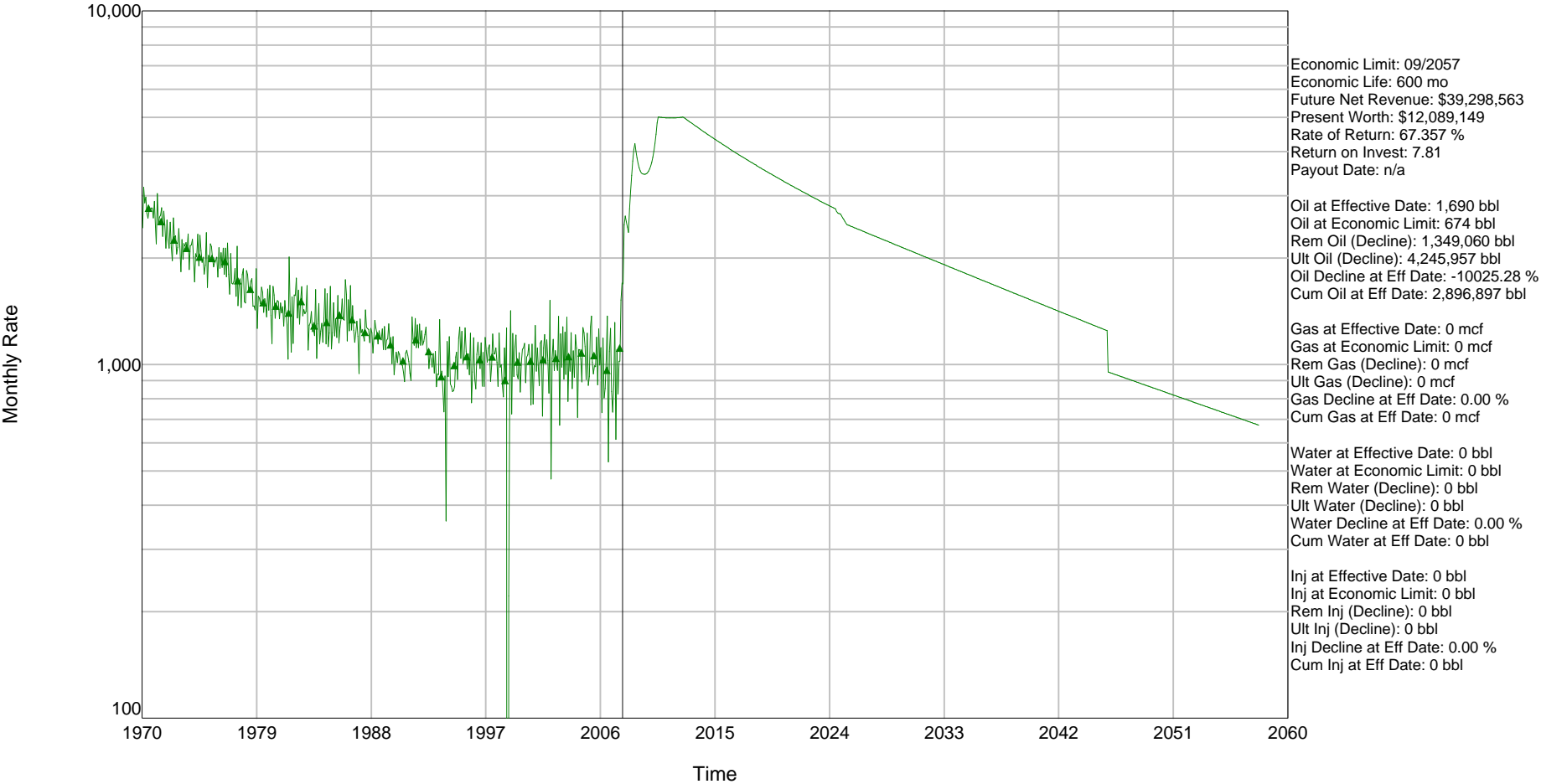
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	4,245,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	1,349,060	0
Remaining Net	851,757	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	67.36 %
Return on Investment:	7.81
Disc Return on Invest:	3.27

Black Oaks - Low Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	4,245,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	1,349,060	0
Remaining Net	851,757	0

Lease Name: BLACK OAKS WF (HIGH CASE) ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON/GREENWOOD, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/17/2007  
 Time: 2:10 PM

Black Oaks - High Case  
 Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	6	0	0	0	0	0.00	0.00	0
12/2008	18	165	0	132	0	70.00	0.00	9,263
12/2009	45	6,707	0	5,366	0	70.00	0.00	375,603
12/2010	45	106,219	0	84,976	0	70.00	0.00	5,948,286
12/2011	45	147,240	0	117,792	0	70.00	0.00	8,245,443
12/2012	45	148,735	0	118,988	0	70.00	0.00	8,329,135
12/2013	45	140,673	0	85,467	0	70.00	0.00	5,982,710
12/2014	45	131,575	0	77,560	0	70.00	0.00	5,429,201
12/2015	45	123,065	0	72,544	0	70.00	0.00	5,078,070
12/2016	45	115,106	0	67,852	0	70.00	0.00	4,749,649
12/2017	45	107,662	0	63,464	0	70.00	0.00	4,442,468
12/2018	45	100,699	0	59,359	0	70.00	0.00	4,155,154
12/2019	45	94,186	0	55,520	0	70.00	0.00	3,886,422
12/2020	45	88,095	0	51,930	0	70.00	0.00	3,635,069
12/2021	45	82,397	0	48,571	0	70.00	0.00	3,399,973
Remainder:		1,082,475	0	638,090	0	70.00	0.00	44,666,321
Grand Total:		2,475,000	0	1,547,611	0	70.00	0.00	108,332,766

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	4,750	0	-4,750	320,000	-324,750	-324,750	-317,133
12/2008	53,500	105	-44,342	2,675,475	-2,719,817	-3,044,567	-2,468,923
12/2009	133,750	4,244	237,608	400,000	-162,392	-3,206,958	-159,128
12/2010	135,000	67,216	5,746,070	0	5,746,070	2,539,112	4,356,547
12/2011	135,000	93,174	8,017,269	0	8,017,269	10,556,381	5,586,876
12/2012	135,000	94,119	8,100,016	0	8,100,016	18,656,397	5,133,192
12/2013	97,875	67,605	5,817,231	0	5,817,231	24,473,627	3,356,934
12/2014	94,500	61,350	5,273,351	0	5,273,351	29,746,978	2,762,852
12/2015	94,500	57,382	4,926,188	0	4,926,188	34,673,167	2,346,332
12/2016	94,500	53,671	4,601,478	0	4,601,478	39,274,644	1,992,432
12/2017	94,500	50,200	4,297,768	0	4,297,768	43,572,413	1,691,752
12/2018	94,500	46,953	4,013,701	0	4,013,701	47,586,113	1,436,304
12/2019	94,500	43,917	3,748,005	0	3,748,005	51,334,118	1,219,297
12/2020	94,500	41,076	3,499,493	0	3,499,493	54,833,611	1,034,956
12/2021	94,500	38,420	3,267,054	0	3,267,054	58,100,665	878,377
Remainder:	5,067,563	504,729	39,094,029	0	39,094,029	97,194,694	4,845,505
Grand Total:	6,518,438	1,224,160	100,590,169	3,395,475	97,194,694	97,194,694	33,696,173

#### Discount Present Worth:

0.00 %	97,194,694
5.00 %	53,002,073
8.00 %	39,867,046
9.00 %	36,584,263
10.00 %	33,696,173
12.00 %	28,861,822
15.00 %	23,331,781
20.00 %	17,007,625
30.00 %	9,880,333
50.00 %	3,907,518
100.00 %	130,183

#### Initial Division of Interest:

WI:	100.000000	Oil:	80.000000	NRI	0.000000	ORI	0.000000
		Gas:	80.000000				0.000000
Reversion Date:	01/2013	Injection:	0.000000				0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	2,475,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	2,475,000	0
Remaining Net	1,547,611	0

#### Economics Information:

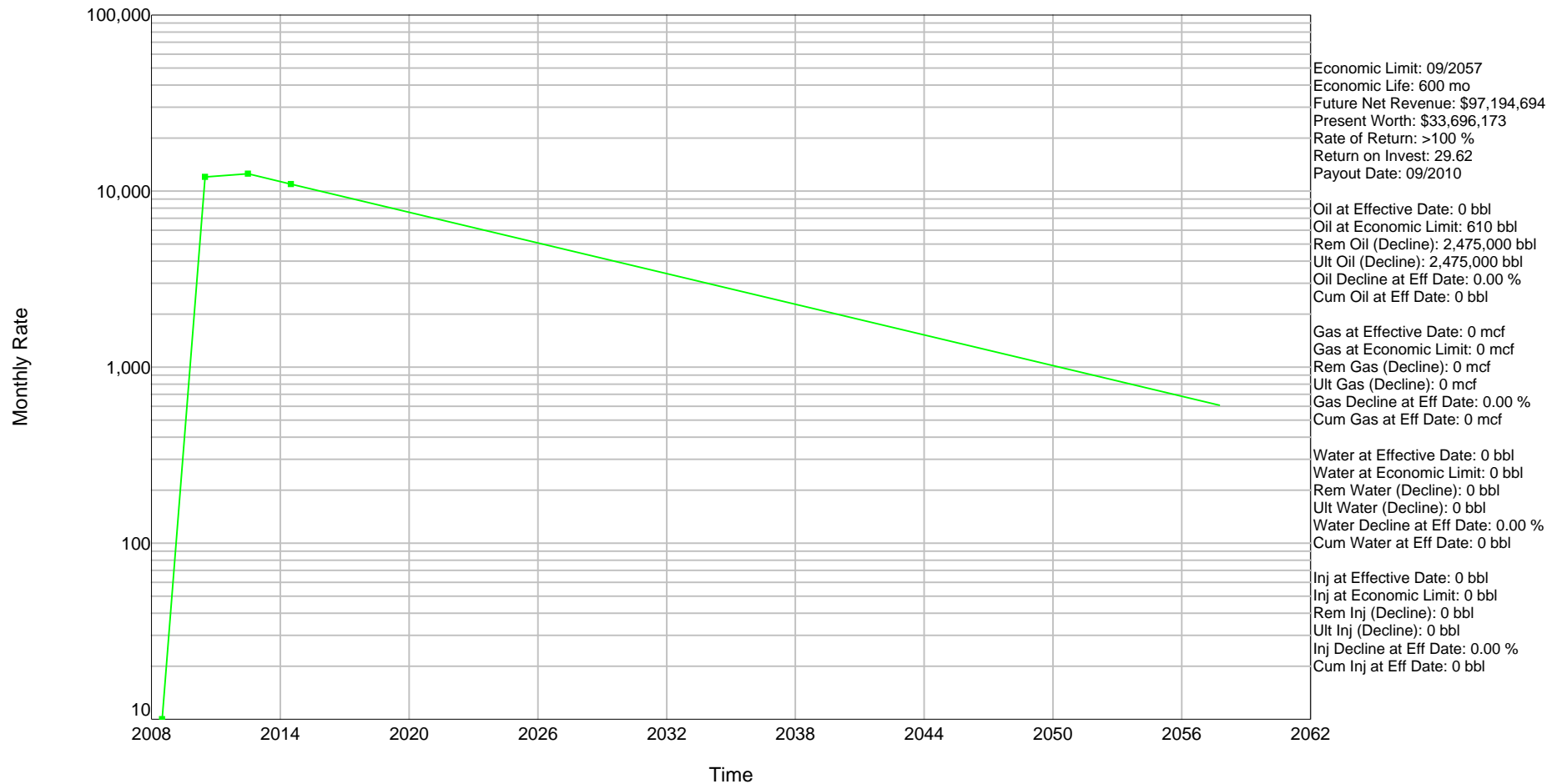
Net Payout Date:	09/2010
Rate of Return:	>100 %
Return on Investment:	29.62
Disc Return on Invest:	11.90

Lease Name: BLACK OAKS WF (HIGH CASE) ()  
Operator: HAAS PETROLEUM  
Reservoir: MISSISSIPPI  
County, ST: WOODSON/GREENWOOD, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl  
  
Black Oaks - High Case  
Waterflood

Date: 10/17/2007  
Time: 2:11 PM

BLACK OAKS WF (HIGH CASE) - WINTERSCHIED



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	2,475,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	2,475,000	0
Remaining Net	1,547,611	0

Black Oaks - High Case

Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	65	6,804	0	5,443	0	70.00	0.00	381,011
12/2008	93	40,244	0	32,195	0	70.00	0.00	2,253,670
12/2009	130	46,585	0	37,268	0	70.00	0.00	2,608,752
12/2010	130	142,211	0	113,769	0	70.00	0.00	7,963,804
12/2011	130	179,920	0	143,936	0	70.00	0.00	10,075,499
12/2012	130	178,485	0	142,788	0	70.00	0.00	9,995,172
12/2013	130	167,828	0	101,971	0	70.00	0.00	7,137,960
12/2014	130	156,425	0	92,208	0	70.00	0.00	6,454,586
12/2015	130	145,864	0	85,983	0	70.00	0.00	6,018,792
12/2016	130	136,074	0	80,212	0	70.00	0.00	5,614,837
12/2017	130	126,992	0	74,859	0	70.00	0.00	5,240,107
12/2018	130	118,562	0	69,889	0	70.00	0.00	4,892,233
12/2019	130	110,730	0	65,272	0	70.00	0.00	4,569,072
12/2020	130	103,450	0	60,981	0	70.00	0.00	4,268,673
12/2021	130	96,679	0	56,990	0	70.00	0.00	3,989,266
Remainder:		1,242,209	0	732,249	0	70.00	0.00	51,257,456
Grand Total:		2,999,060	0	1,896,013	0	70.00	0.00	132,720,890

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	60,750	4,305	315,955	510,000	-194,045	-194,045	-188,865
12/2008	340,220	25,466	1,887,984	4,860,475	-2,972,491	-3,166,536	-2,729,293
12/2009	460,150	29,479	2,119,123	400,000	1,719,123	-1,447,413	1,429,351
12/2010	461,400	89,991	7,412,413	0	7,412,413	5,965,000	5,635,262
12/2011	461,400	113,853	9,500,246	0	9,500,246	15,465,246	6,621,418
12/2012	461,400	112,945	9,420,826	0	9,420,826	24,886,072	5,970,835
12/2013	334,515	80,659	6,722,786	0	6,722,786	31,608,858	3,879,664
12/2014	322,980	72,937	6,058,669	0	6,058,669	37,667,528	3,174,447
12/2015	322,980	68,012	5,627,800	0	5,627,800	43,295,327	2,680,625
12/2016	322,980	63,448	5,228,410	0	5,228,410	48,523,737	2,263,987
12/2017	322,980	59,213	4,857,914	0	4,857,914	53,381,651	1,912,323
12/2018	322,980	55,282	4,513,971	0	4,513,971	57,895,622	1,615,390
12/2019	322,980	51,631	4,194,461	0	4,194,461	62,090,083	1,364,590
12/2020	322,980	48,236	3,897,457	0	3,897,457	65,987,540	1,152,696
12/2021	322,980	45,079	3,621,208	0	3,621,208	69,608,748	973,631
Remainder:	8,716,523	579,209	41,961,724	0	41,961,724	111,570,472	5,267,163
Grand Total:	13,880,198	1,499,746	117,340,947	5,770,475	111,570,472	111,570,472	41,023,223

## Discount Present Worth:

0.00 %	111,570,472
5.00 %	62,805,073
8.00 %	48,032,136
9.00 %	44,309,836
10.00 %	41,023,223
12.00 %	35,493,924
15.00 %	29,118,826
20.00 %	21,744,954
30.00 %	13,279,795
50.00 %	5,951,924
100.00 %	985,347

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

## Economics Summary:

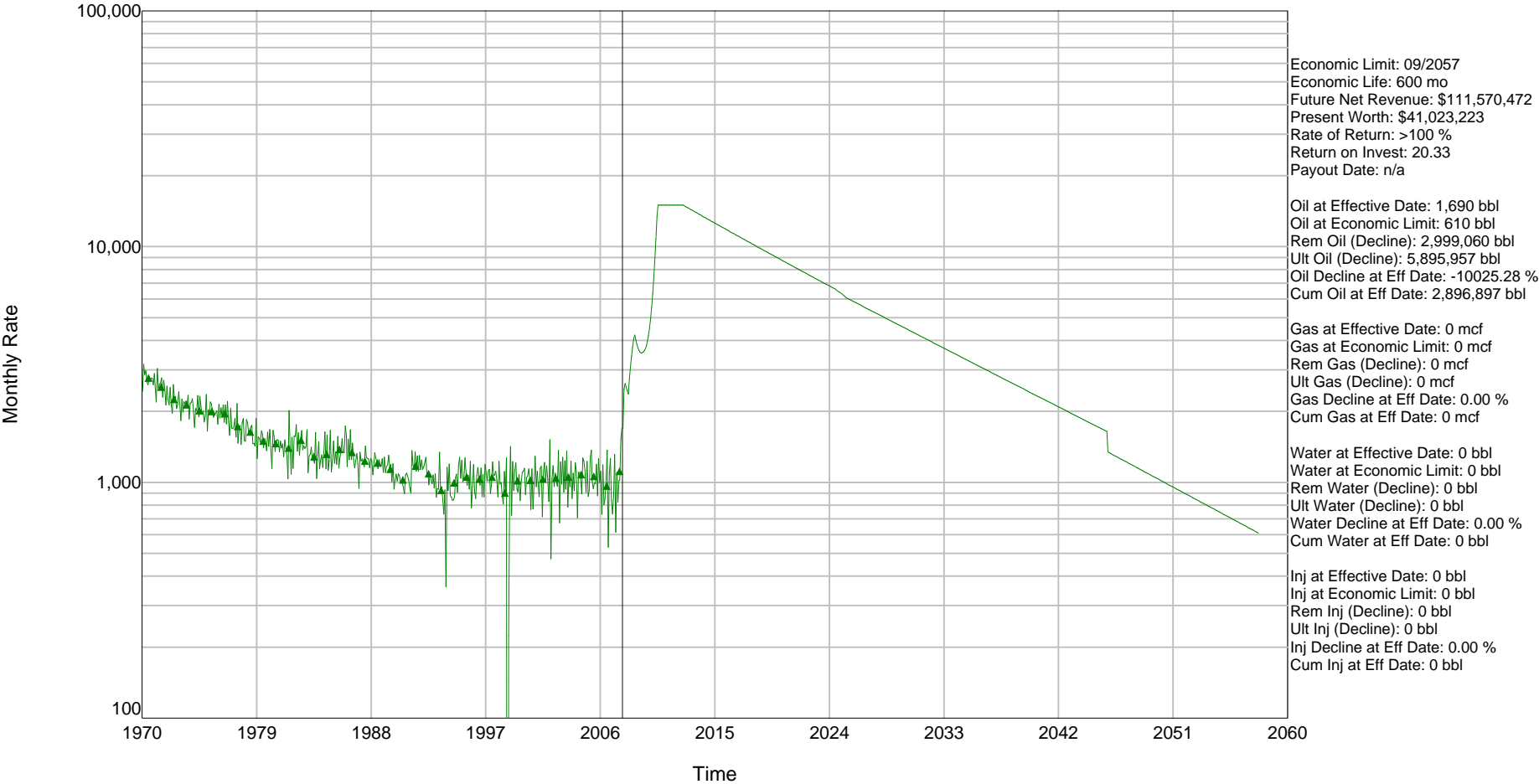
	Bbl Oil	Mcf Gas
Ultimate Gross	5,895,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	2,999,060	0
Remaining Net	1,896,013	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	>100 %
Return on Investment:	20.33
Disc Return on Invest:	8.71



Black Oaks - High Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	5,895,957	0
Historic Gross	2,896,897	0
Gross at Eff Date	2,896,897	0
Remaining Gross	2,999,060	0
Remaining Net	1,896,013	0

Lease Name: NICKEL TOWN - CURRENT PRODUCERS ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/16/2007  
 Time: 6:32 PM

Nickel Town  
 Proved Developed Producing

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	47	2,433	0	1,976	0	70.00	0.00	138,345
12/2008	47	9,493	0	7,713	0	70.00	0.00	539,894
12/2009	47	9,125	0	7,413	0	70.00	0.00	518,945
12/2010	47	8,771	0	7,126	0	70.00	0.00	498,808
12/2011	47	8,431	0	6,849	0	70.00	0.00	479,453
12/2012	47	8,103	0	6,584	0	70.00	0.00	460,849
12/2013	47	7,789	0	6,328	0	70.00	0.00	442,967
12/2014	47	7,487	0	4,618	0	70.00	0.00	323,240
12/2015	47	7,196	0	4,308	0	70.00	0.00	301,558
12/2016	47	6,917	0	4,141	0	70.00	0.00	289,857
12/2017	47	6,649	0	3,980	0	70.00	0.00	278,610
12/2018	47	6,391	0	3,826	0	70.00	0.00	267,799
12/2019	47	6,143	0	3,677	0	70.00	0.00	257,408
12/2020	47	5,904	0	3,535	0	70.00	0.00	247,420
12/2021	47	5,675	0	3,397	0	70.00	0.00	237,819
Remainder:		63,447	0	37,982	0	70.00	0.00	2,658,753
Grand Total:		169,954	0	113,453	0	70.00	0.00	7,941,727

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	45,120	1,563	91,662	0	91,662	91,662	90,222
12/2008	180,480	6,101	353,313	0	353,313	444,975	327,913
12/2009	180,480	5,864	332,601	0	332,601	777,576	280,630
12/2010	180,480	5,637	312,692	0	312,692	1,090,268	239,850
12/2011	180,480	5,418	293,556	0	293,556	1,383,823	204,703
12/2012	180,480	5,208	275,162	0	275,162	1,658,985	174,436
12/2013	180,480	5,006	257,482	0	257,482	1,916,467	148,391
12/2014	130,848	3,653	188,739	0	188,739	2,105,206	98,996
12/2015	126,336	3,408	171,815	0	171,815	2,277,021	81,835
12/2016	126,336	3,275	160,246	0	160,246	2,437,267	69,388
12/2017	126,336	3,148	149,126	0	149,126	2,586,392	58,703
12/2018	126,336	3,026	138,437	0	138,437	2,724,830	49,543
12/2019	126,336	2,909	128,163	0	128,163	2,852,993	41,697
12/2020	126,336	2,796	118,288	0	118,288	2,971,281	34,987
12/2021	126,336	2,687	108,796	0	108,796	3,080,077	29,255
Remainder:	1,916,096	30,044	712,613	0	712,613	3,792,690	121,599
Grand Total:	4,059,296	89,742	3,792,690	0	3,792,690	3,792,690	2,052,147

#### Discount Present Worth:

0.00 %	3,792,690
5.00 %	2,672,539
8.00 %	2,262,195
9.00 %	2,151,976
10.00 %	2,052,147
12.00 %	1,878,553
15.00 %	1,668,835
20.00 %	1,411,438
30.00 %	1,089,517
50.00 %	768,062
100.00 %	475,089

#### Initial Division of Interest:

WI:	100.000000	Oil:	81.244000	NRI	0.000000
		Gas:	81.244000	ORI	0.000000
Reversion Date:	01/2014	Injection:	0.000000		0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	02/2037
Economic Life	353 Months
	29 Years 5 Months

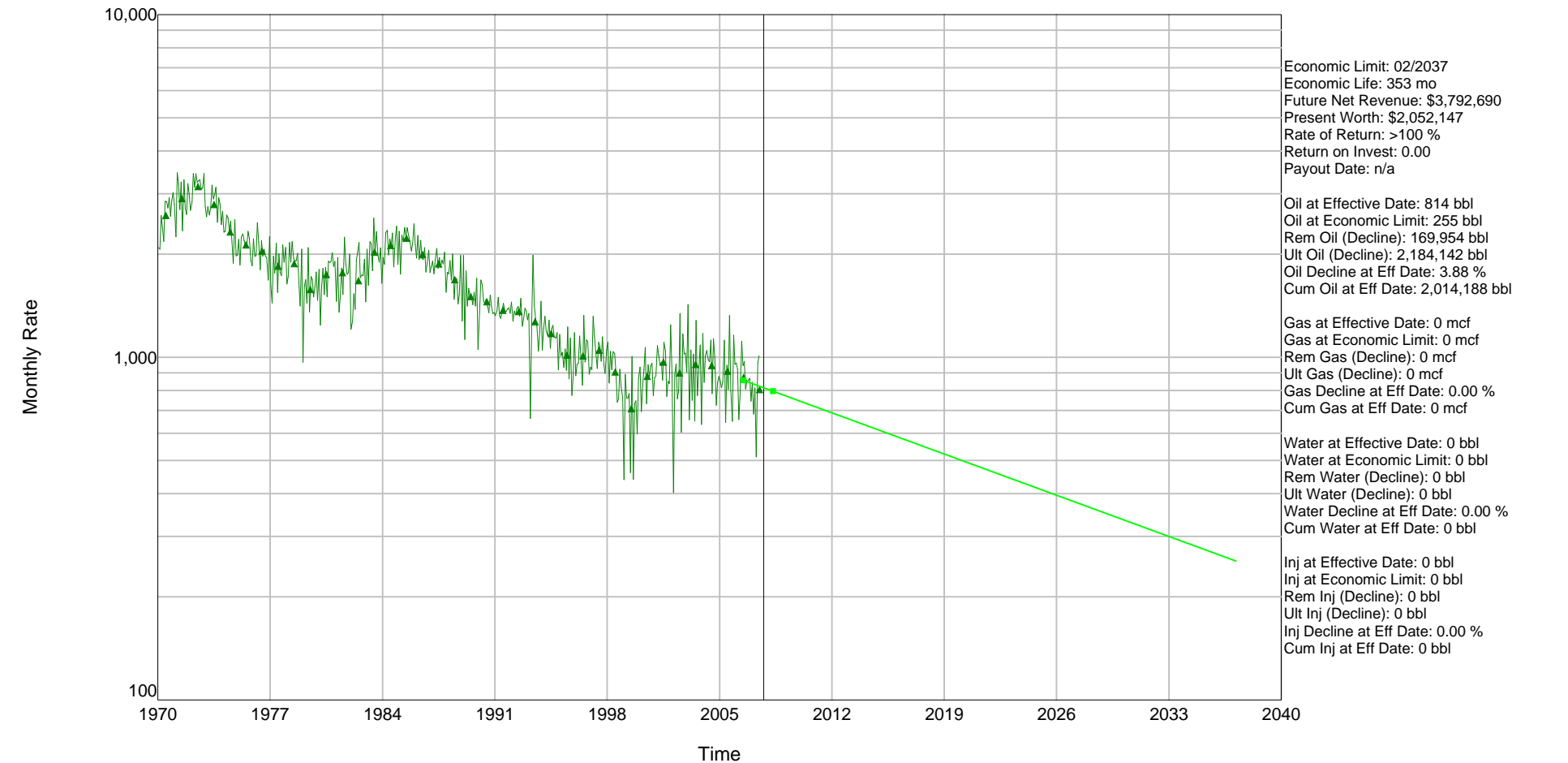
#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	2,184,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	169,954	0
Remaining Net	113,453	0

#### Economics Information:

Net Payout Date:	10/2007
Rate of Return:	>100 %
Return on Investment:	0.00
Disc Return on Invest:	0.00

NICKEL TOWN - CURRENT PRODUCERS - WINTERSCHIED



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	2,184,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	169,954	0
Remaining Net	113,453	0

Nickel Town  
Development Drilling

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	0	0	0	0	0	0.00	0.00	0
12/2008	19	20,567	0	16,709	0	70.00	0.00	1,169,651
12/2009	66	52,922	0	42,996	0	70.00	0.00	3,009,731
12/2010	75	46,330	0	37,640	0	70.00	0.00	2,634,799
12/2011	75	39,881	0	32,401	0	70.00	0.00	2,268,068
12/2012	75	34,363	0	27,918	0	70.00	0.00	1,954,254
12/2013	75	29,609	0	24,055	0	70.00	0.00	1,683,860
12/2014	75	25,512	0	15,759	0	70.00	0.00	1,103,102
12/2015	75	21,982	0	13,159	0	70.00	0.00	921,150
12/2016	75	18,941	0	11,339	0	70.00	0.00	793,698
12/2017	75	16,320	0	9,770	0	70.00	0.00	683,880
12/2018	75	14,062	0	8,418	0	70.00	0.00	589,258
12/2019	75	12,116	0	7,253	0	70.00	0.00	507,727
12/2020	75	10,440	0	6,250	0	70.00	0.00	437,477
12/2021	75	8,995	0	5,385	0	70.00	0.00	376,947
Remainder:		22,962	0	13,746	0	70.00	0.00	962,202
Grand Total:		375,000	0	272,797	0	70.00	0.00	19,095,804

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	0	0	0	0	0	0	0
12/2008	72,960	13,217	1,083,474	4,560,000	-3,476,526	-3,476,526	-3,220,412
12/2009	254,400	34,010	2,721,321	2,565,000	156,321	-3,320,205	84,063
12/2010	288,000	29,773	2,317,026	0	2,317,026	-1,003,179	1,778,820
12/2011	288,000	25,629	1,954,439	0	1,954,439	951,260	1,364,026
12/2012	288,000	22,083	1,644,171	0	1,644,171	2,595,431	1,043,204
12/2013	288,000	19,028	1,376,832	0	1,376,832	3,972,263	794,196
12/2014	208,800	12,465	881,837	0	881,837	4,854,100	463,033
12/2015	201,600	10,409	709,141	0	709,141	5,563,241	338,090
12/2016	201,600	8,969	583,129	0	583,129	6,146,370	252,757
12/2017	201,600	7,728	474,553	0	474,553	6,620,923	187,012
12/2018	201,600	6,659	380,999	0	380,999	7,001,922	136,512
12/2019	201,600	5,737	300,390	0	300,390	7,302,311	97,861
12/2020	201,600	4,943	230,933	0	230,933	7,533,244	68,410
12/2021	201,600	4,259	171,087	0	171,087	7,704,332	46,091
Remainder:	711,648	10,873	239,681	0	239,681	7,944,013	55,066
Grand Total:	3,811,008	215,783	15,069,013	7,125,000	7,944,013	7,944,013	3,488,730

## Discount Present Worth:

0.00 %	7,944,013
5.00 %	5,276,841
8.00 %	4,124,304
9.00 %	3,794,859
10.00 %	3,488,730
12.00 %	2,938,460
15.00 %	2,243,289
20.00 %	1,348,745
30.00 %	195,527
50.00 %	-880,593
100.00 %	-1,492,678

## Economic Dates:

Effective Date	10/2007
Calculated Limit	03/2026
Economic Life	222 Months
	18 Years 6 Months

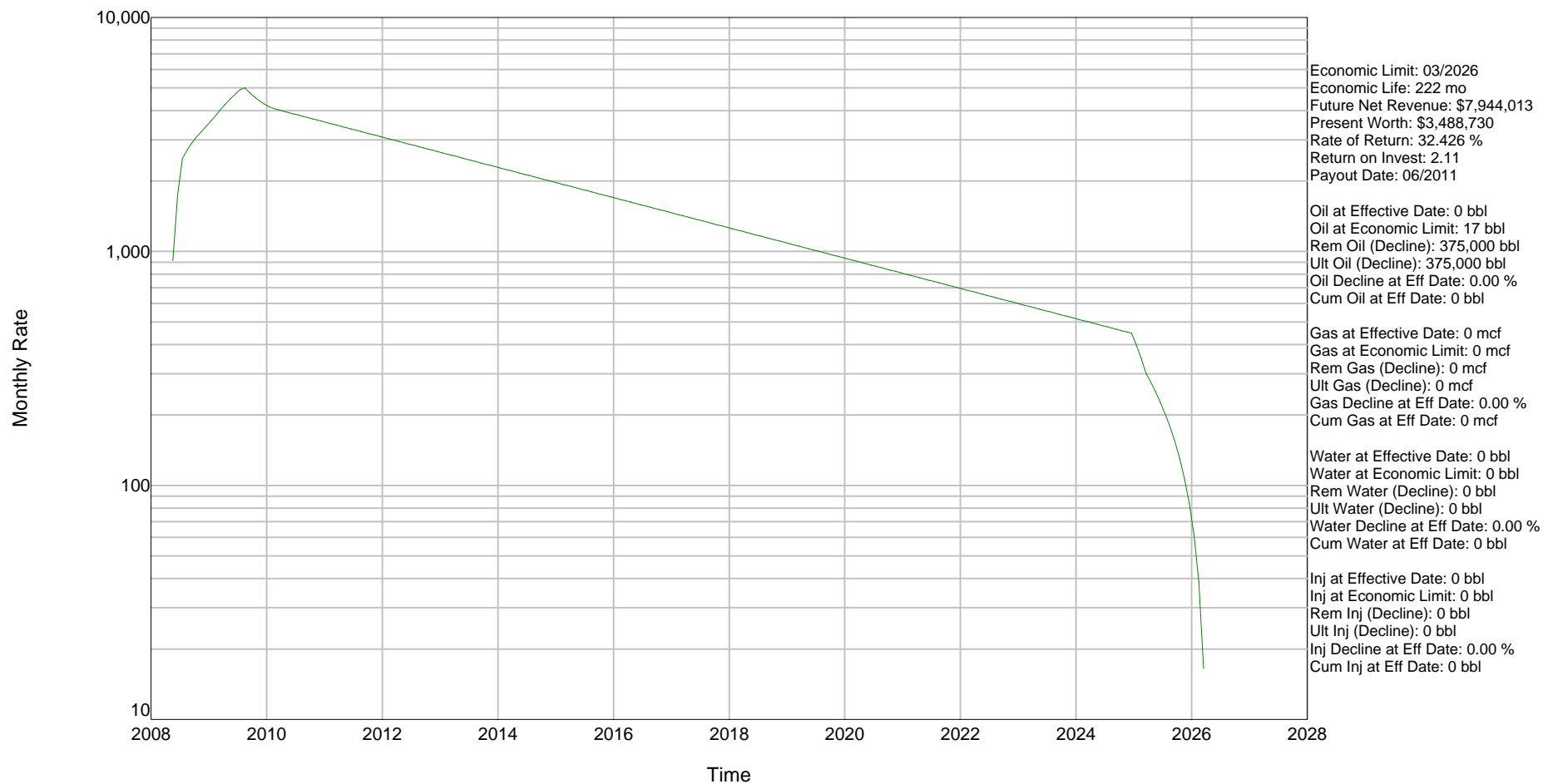
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	375,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	375,000	0
Remaining Net	272,797	0

## Economics Information:

Net Payout Date:	06/2011
Rate of Return:	32.43 %
Return on Investment:	2.11
Disc Return on Invest:	1.54

Nickel Town  
Development Drilling



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	375,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	375,000	0
Remaining Net	272,797	0

## Nickel Town

## Proved Developed Producing + Development Drilling

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	47	2,433	0	1,976	0	70.00	0.00	138,345
12/2008	66	30,060	0	24,422	0	70.00	0.00	1,709,545
12/2009	113	62,047	0	50,410	0	70.00	0.00	3,528,676
12/2010	122	55,100	0	44,766	0	70.00	0.00	3,133,608
12/2011	122	48,312	0	39,250	0	70.00	0.00	2,747,521
12/2012	122	42,466	0	34,501	0	70.00	0.00	2,415,103
12/2013	122	37,398	0	30,383	0	70.00	0.00	2,126,827
12/2014	122	32,999	0	20,376	0	70.00	0.00	1,426,341
12/2015	122	29,178	0	17,467	0	70.00	0.00	1,222,708
12/2016	122	25,858	0	15,479	0	70.00	0.00	1,083,555
12/2017	122	22,969	0	13,750	0	70.00	0.00	962,491
12/2018	122	20,452	0	12,244	0	70.00	0.00	857,057
12/2019	122	18,259	0	10,930	0	70.00	0.00	765,135
12/2020	122	16,344	0	9,784	0	70.00	0.00	684,897
12/2021	122	14,671	0	8,782	0	70.00	0.00	614,766
Remainder:		86,409	0	51,728	0	70.00	0.00	3,620,955
Grand Total:		544,954	0	386,250	0	70.00	0.00	27,037,531

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	45,120	1,563	91,662	0	91,662	91,662	90,222
12/2008	253,440	19,318	1,436,787	4,560,000	-3,123,213	-3,031,551	-2,892,499
12/2009	434,880	39,874	3,053,922	2,565,000	488,922	-2,542,629	364,693
12/2010	468,480	35,410	2,629,718	0	2,629,718	87,089	2,018,670
12/2011	468,480	31,047	2,247,994	0	2,247,994	2,335,083	1,568,730
12/2012	468,480	27,291	1,919,333	0	1,919,333	4,254,416	1,217,640
12/2013	468,480	24,033	1,634,314	0	1,634,314	5,888,730	942,587
12/2014	339,648	16,118	1,070,576	0	1,070,576	6,959,306	562,030
12/2015	327,936	13,817	880,956	0	880,956	7,840,262	419,925
12/2016	327,936	12,244	743,375	0	743,375	8,583,637	322,144
12/2017	327,936	10,876	623,678	0	623,678	9,207,315	245,716
12/2018	327,936	9,685	519,436	0	519,436	9,726,751	186,054
12/2019	327,936	8,646	428,553	0	428,553	10,155,304	139,558
12/2020	327,936	7,739	349,221	0	349,221	10,504,525	103,397
12/2021	327,936	6,947	279,883	0	279,883	10,784,409	75,346
Remainder:	2,627,744	40,917	952,294	0	952,294	11,736,703	176,665
Grand Total:	7,870,304	305,524	18,861,703	7,125,000	11,736,703	11,736,703	5,540,877

## Discount Present Worth:

0.00 %	11,736,703
5.00 %	7,949,381
8.00 %	6,386,499
9.00 %	5,946,835
10.00 %	5,540,877
12.00 %	4,817,013
15.00 %	3,912,124
20.00 %	2,760,183
30.00 %	1,285,043
50.00 %	-112,531
100.00 %	-1,017,589

## Economic Dates:

Effective Date	10/2007
Calculated Limit	02/2037
Economic Life	353 Months
	29 Years 5 Months

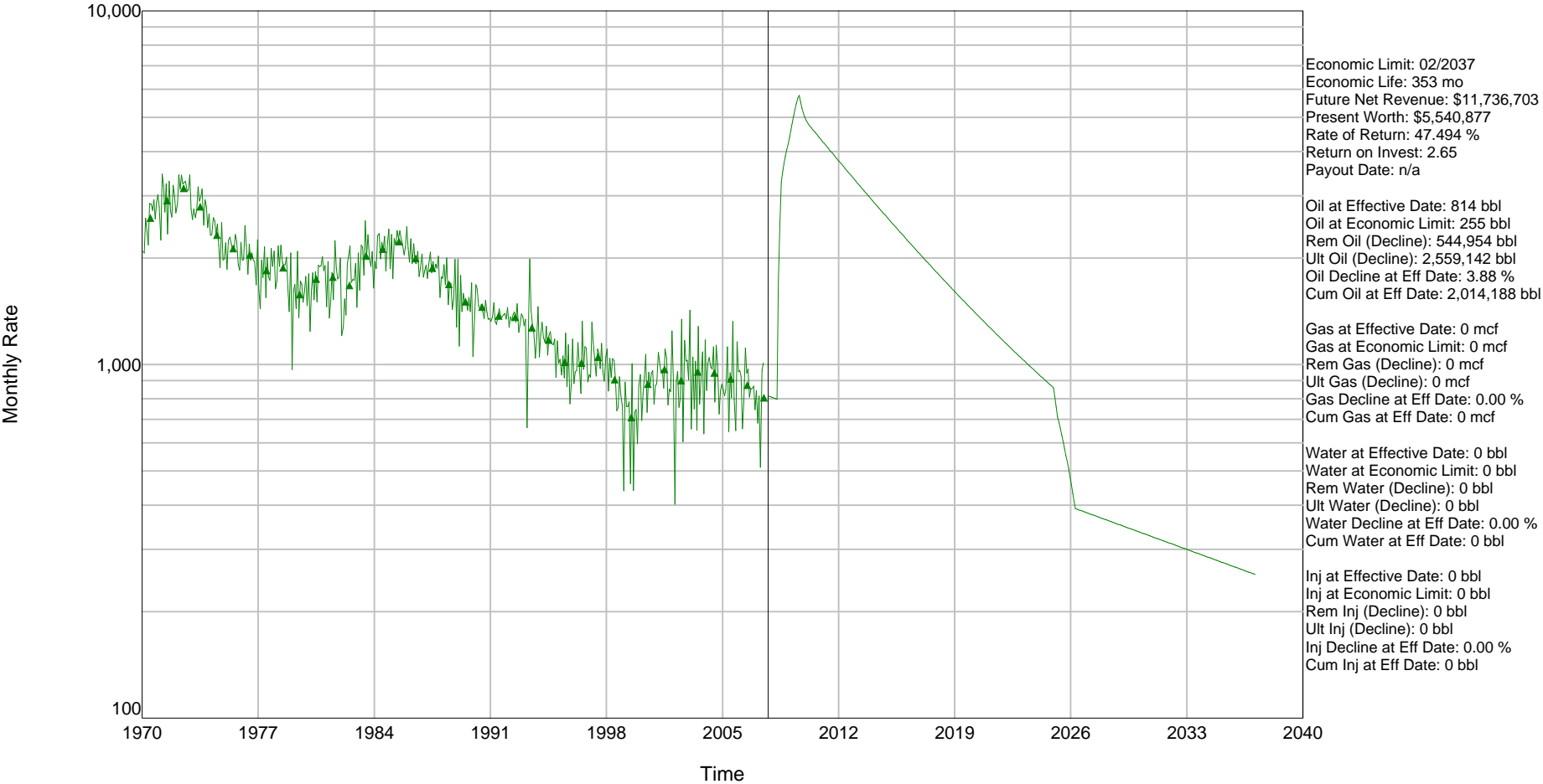
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	2,559,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	544,954	0
Remaining Net	386,250	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	47.49 %
Return on Investment:	2.65
Disc Return on Invest:	1.86

Nickel Town  
Proved Developed Producing + Development Drilling



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	2,559,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	544,954	0
Remaining Net	386,250	0

Lease Name: NICKEL TOWN WF (BASE CASE) ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/16/2007  
 Time: 6:39 PM

Nickel Town  
 Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	0	0	0	0	0	0.00	0.00	0
12/2008	9	0	0	0	0	0.00	0.00	0
12/2009	50	742	0	603	0	70.00	0.00	42,211
12/2010	67	14,335	0	11,646	0	70.00	0.00	815,233
12/2011	67	47,449	0	38,550	0	70.00	0.00	2,698,475
12/2012	67	53,263	0	43,273	0	70.00	0.00	3,029,095
12/2013	67	54,744	0	44,476	0	70.00	0.00	3,113,338
12/2014	67	51,561	0	31,811	0	70.00	0.00	2,226,746
12/2015	67	48,563	0	29,072	0	70.00	0.00	2,035,037
12/2016	67	45,740	0	27,382	0	70.00	0.00	1,916,717
12/2017	67	43,080	0	25,790	0	70.00	0.00	1,805,277
12/2018	67	40,576	0	24,290	0	70.00	0.00	1,700,316
12/2019	67	38,217	0	22,878	0	70.00	0.00	1,601,457
12/2020	67	35,995	0	21,548	0	70.00	0.00	1,508,346
12/2021	67	33,902	0	20,295	0	70.00	0.00	1,420,649
Remainder:		441,834	0	264,499	0	70.00	0.00	18,514,949
Grand Total:		950,000	0	606,112	0	70.00	0.00	42,427,845

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	0	0	0	0	0	0	0
12/2008	26,750	0	-26,750	2,767,690	-2,794,440	-2,794,440	-2,545,956
12/2009	150,000	477	-108,266	3,727,690	-3,835,956	-6,630,396	-3,297,752
12/2010	201,000	9,212	605,021	0	605,021	-6,025,375	451,237
12/2011	201,000	30,493	2,466,982	0	2,466,982	-3,558,393	1,717,726
12/2012	201,000	34,229	2,793,866	0	2,793,866	-764,526	1,768,498
12/2013	201,000	35,181	2,877,157	0	2,877,157	2,112,631	1,658,111
12/2014	145,725	25,162	2,055,858	0	2,055,858	4,168,489	1,078,469
12/2015	140,700	22,996	1,871,341	0	1,871,341	6,039,830	891,289
12/2016	140,700	21,659	1,754,358	0	1,754,358	7,794,188	759,613
12/2017	140,700	20,400	1,644,177	0	1,644,177	9,438,365	647,189
12/2018	140,700	19,214	1,540,402	0	1,540,402	10,978,767	551,220
12/2019	140,700	18,096	1,442,661	0	1,442,661	12,421,427	469,314
12/2020	140,700	17,044	1,350,602	0	1,350,602	13,772,029	399,425
12/2021	140,700	16,053	1,263,896	0	1,263,896	15,035,925	339,804
Remainder:	5,364,188	209,219	12,941,543	0	12,941,543	27,977,468	1,811,487
Grand Total:	7,475,563	479,435	34,472,848	6,495,380	27,977,468	27,977,468	6,699,674

#### Discount Present Worth:

0.00 %	27,977,468
5.00 %	13,337,686
8.00 %	8,818,066
9.00 %	7,689,204
10.00 %	6,699,674
12.00 %	5,056,938
15.00 %	3,214,140
20.00 %	1,192,887
30.00 %	-868,082
50.00 %	-2,175,020
100.00 %	-2,273,997

#### Initial Division of Interest:

WI:	100.000000	Oil:	81.244000	ORI	0.000000
		Gas:	81.244000		0.000000
Reversion Date:	01/2014	Injection:	0.000000		0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	03/2049
Economic Life	498 Months
	41 Years 6 Months

#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	950,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	950,000	0
Remaining Net	606,112	0

#### Economics Information:

Net Payout Date:	04/2013
Rate of Return:	24.71 %
Return on Investment:	5.31
Disc Return on Invest:	2.17

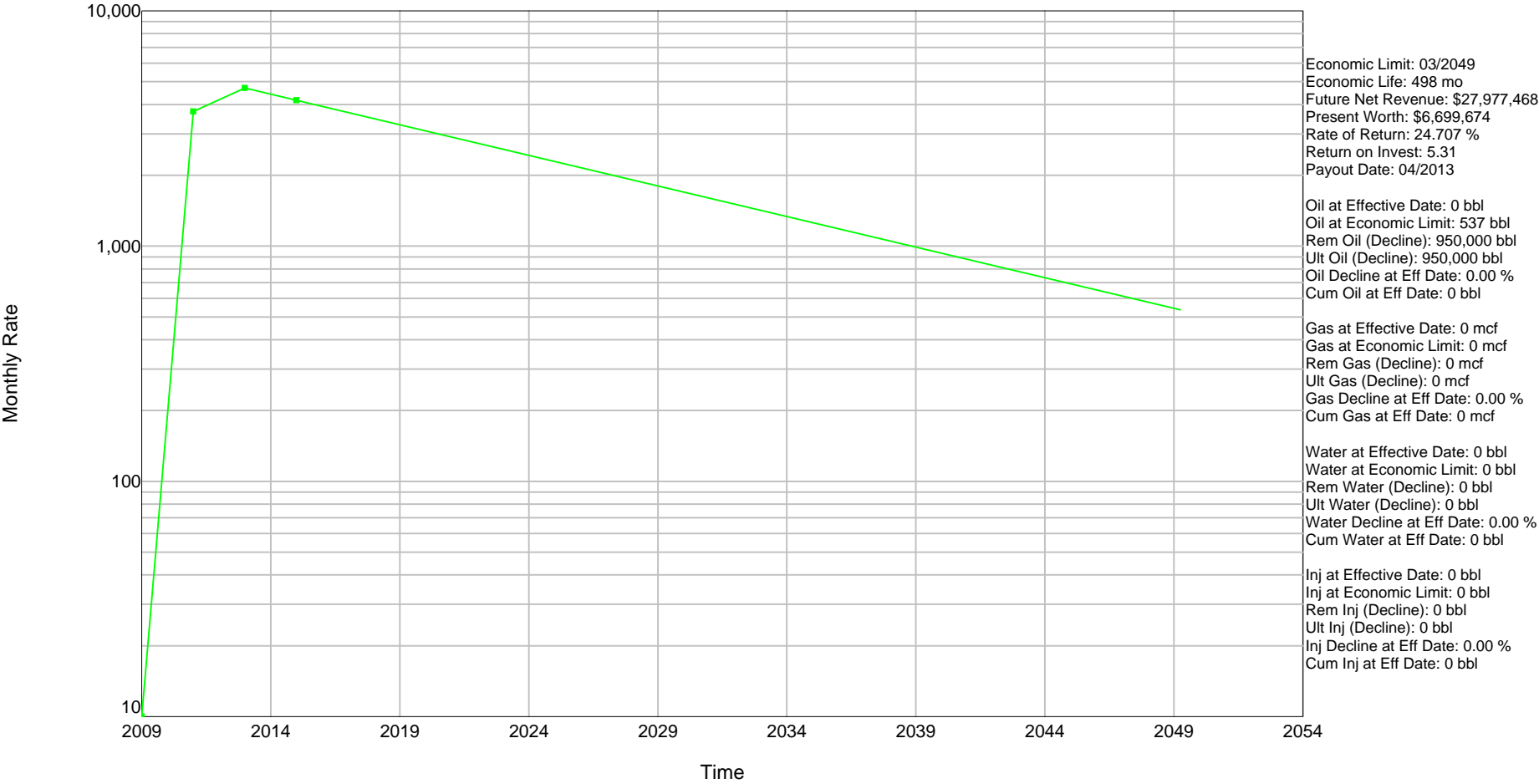


Lease Name: NICKEL TOWN WF (BASE CASE) ()  
Operator: HAAS PETROLEUM  
Reservoir: MISSISSIPPI  
County, ST: WOODSON, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl  
  
Nickel Town - Base Case  
Waterflood

Date: 10/16/2007  
Time: 6:39 PM

NICKEL TOWN WF (BASE CASE) - WINTERSCHIED



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	950,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	950,000	0
Remaining Net	606,112	0

## Nickel Town - Base Case

Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	47	2,433	0	1,976	0	70.00	0.00	138,345
12/2008	75	30,060	0	24,422	0	70.00	0.00	1,709,545
12/2009	163	62,789	0	51,013	0	70.00	0.00	3,570,887
12/2010	189	69,435	0	56,412	0	70.00	0.00	3,948,841
12/2011	189	95,761	0	77,800	0	70.00	0.00	5,445,996
12/2012	189	95,729	0	77,774	0	70.00	0.00	5,444,198
12/2013	189	92,142	0	74,860	0	70.00	0.00	5,240,165
12/2014	189	84,560	0	52,187	0	70.00	0.00	3,653,087
12/2015	189	77,742	0	46,539	0	70.00	0.00	3,257,745
12/2016	189	71,597	0	42,861	0	70.00	0.00	3,000,272
12/2017	189	66,049	0	39,540	0	70.00	0.00	2,767,767
12/2018	189	61,028	0	36,534	0	70.00	0.00	2,557,372
12/2019	189	56,475	0	33,808	0	70.00	0.00	2,366,592
12/2020	189	52,339	0	31,332	0	70.00	0.00	2,193,243
12/2021	189	48,572	0	29,077	0	70.00	0.00	2,035,415
Remainder:		528,243	0	316,227	0	70.00	0.00	22,135,904
Grand Total:		1,494,954	0	992,363	0	70.00	0.00	69,465,376

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	45,120	1,563	91,662	0	91,662	91,662	90,222
12/2008	280,190	19,318	1,410,037	7,327,690	-5,917,653	-5,825,991	-5,438,455
12/2009	584,880	40,351	2,945,656	6,292,690	-3,347,034	-9,173,025	-2,933,059
12/2010	669,480	44,622	3,234,739	0	3,234,739	-5,938,286	2,469,906
12/2011	669,480	61,540	4,714,976	0	4,714,976	-1,223,309	3,286,455
12/2012	669,480	61,519	4,713,199	0	4,713,199	3,489,890	2,986,137
12/2013	669,480	59,214	4,511,471	0	4,511,471	8,001,361	2,600,698
12/2014	485,373	41,280	3,126,434	0	3,126,434	11,127,795	1,640,498
12/2015	468,636	36,813	2,752,296	0	2,752,296	13,880,091	1,311,214
12/2016	468,636	33,903	2,497,733	0	2,497,733	16,377,824	1,081,757
12/2017	468,636	31,276	2,267,855	0	2,267,855	18,645,680	892,905
12/2018	468,636	28,898	2,059,838	0	2,059,838	20,705,518	737,275
12/2019	468,636	26,742	1,871,213	0	1,871,213	22,576,731	608,873
12/2020	468,636	24,784	1,699,823	0	1,699,823	24,276,555	502,823
12/2021	468,636	23,000	1,543,779	0	1,543,779	25,820,334	415,150
Remainder:	7,991,932	250,136	13,893,837	0	13,893,837	39,714,171	1,988,152
Grand Total:	15,345,867	784,959	53,334,551	13,620,380	39,714,171	39,714,171	12,240,551

## Discount Present Worth:

0.00 %	39,714,171
5.00 %	21,287,066
8.00 %	15,204,565
9.00 %	13,636,040
10.00 %	12,240,551
12.00 %	9,873,951
15.00 %	7,126,264
20.00 %	3,953,070
30.00 %	416,962
50.00 %	-2,287,552
100.00 %	-3,291,586

## Economic Dates:

Effective Date	10/2007
Calculated Limit	03/2049
Economic Life	498 Months
	41 Years 6 Months

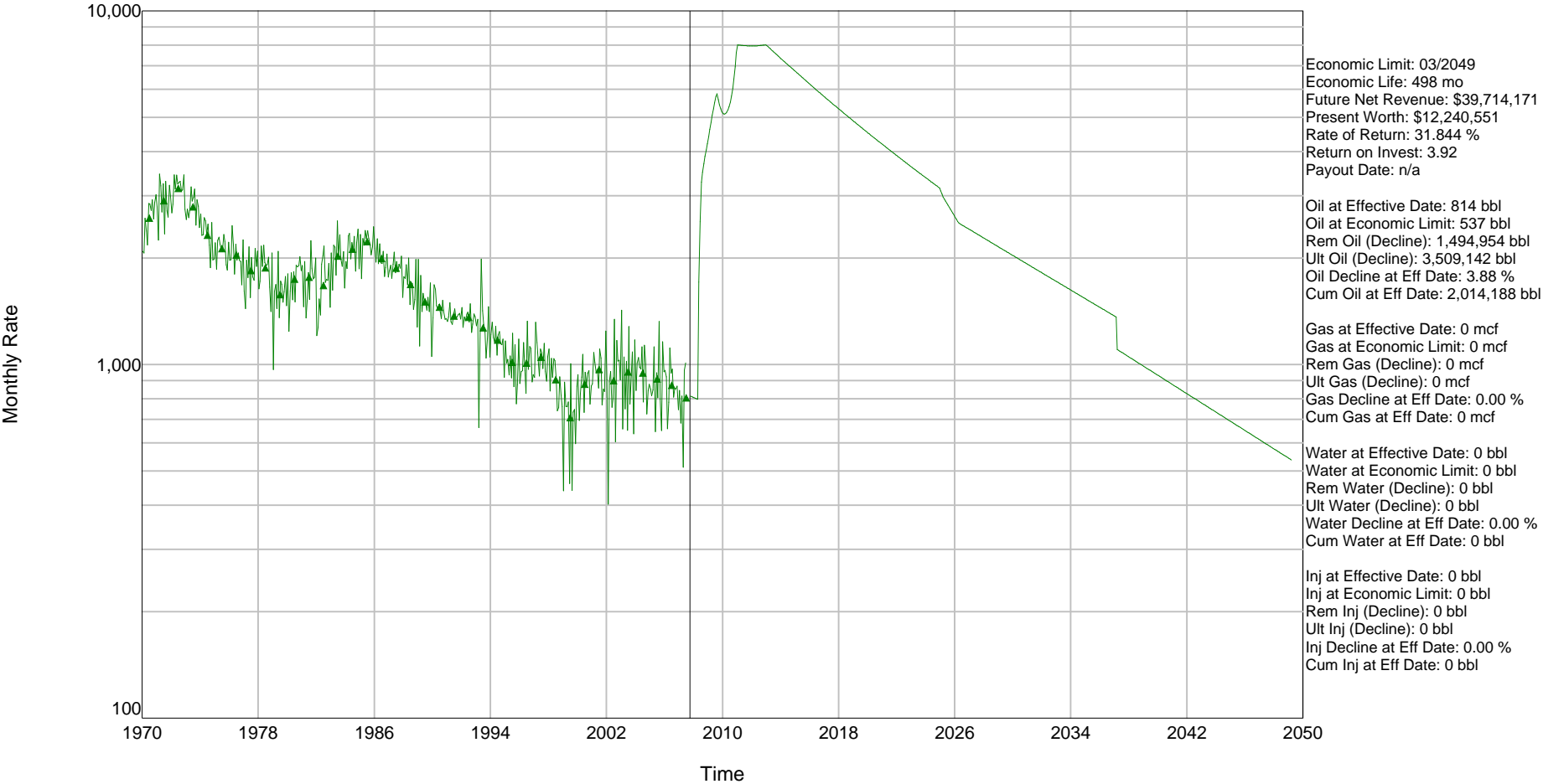
## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	31.84 %
Return on Investment:	3.92
Disc Return on Invest:	2.01

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,509,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	1,494,954	0
Remaining Net	992,363	0

Nickel Town - Base Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,509,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	1,494,954	0
Remaining Net	992,363	0

Lease Name: NICKEL TOWN WF (LOW CASE) ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/16/2007  
 Time: 6:42 PM

Nickel Town - Low Case  
 Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	0	0	0	0	0	0.00	0.00	0
12/2008	9	0	0	0	0	0.00	0.00	0
12/2009	50	291	0	236	0	70.00	0.00	16,523
12/2010	67	1,393	0	1,132	0	70.00	0.00	79,244
12/2011	67	4,291	0	3,486	0	70.00	0.00	244,027
12/2012	67	9,801	0	7,963	0	70.00	0.00	557,398
12/2013	67	14,285	0	11,605	0	70.00	0.00	812,381
12/2014	67	14,056	0	8,667	0	70.00	0.00	606,694
12/2015	67	13,832	0	8,280	0	70.00	0.00	579,624
12/2016	67	13,611	0	8,148	0	70.00	0.00	570,364
12/2017	67	13,394	0	8,018	0	70.00	0.00	561,253
12/2018	67	13,180	0	7,890	0	70.00	0.00	552,287
12/2019	67	12,969	0	7,764	0	70.00	0.00	543,464
12/2020	67	12,762	0	7,640	0	70.00	0.00	534,782
12/2021	67	12,558	0	7,518	0	70.00	0.00	526,239
Remainder:		338,578	0	202,686	0	70.00	0.00	14,188,053
Grand Total:		475,000	0	291,033	0	70.00	0.00	20,372,332

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	0	0	0	0	0	0	0
12/2008	26,750	0	-26,750	2,767,690	-2,794,440	-2,794,440	-2,545,956
12/2009	150,000	187	-133,663	3,727,690	-3,861,353	-6,655,793	-3,318,615
12/2010	201,000	895	-122,652	0	-122,652	-6,778,445	-94,745
12/2011	201,000	2,758	40,270	0	40,270	-6,738,175	26,985
12/2012	201,000	6,299	350,099	0	350,099	-6,388,076	219,581
12/2013	201,000	9,180	602,201	0	602,201	-5,785,875	346,933
12/2014	145,725	6,856	454,113	0	454,113	-5,331,762	238,122
12/2015	140,700	6,550	432,374	0	432,374	-4,899,388	205,863
12/2016	140,700	6,445	423,219	0	423,219	-4,476,168	183,186
12/2017	140,700	6,342	414,211	0	414,211	-4,061,958	162,988
12/2018	140,700	6,241	405,346	0	405,346	-3,656,612	145,000
12/2019	140,700	6,141	396,623	0	396,623	-3,259,989	128,981
12/2020	140,700	6,043	388,039	0	388,039	-2,871,950	114,718
12/2021	140,700	5,946	379,592	0	379,592	-2,492,358	102,019
Remainder:	7,636,493	160,325	6,391,235	0	6,391,235	3,898,877	729,849
Grand Total:	9,747,868	230,207	10,394,257	6,495,380	3,898,877	3,898,877	-3,355,092

#### Discount Present Worth:

0.00 %	3,898,877
5.00 %	-1,568,155
8.00 %	-2,847,862
9.00 %	-3,126,655
10.00 %	-3,355,092
12.00 %	-3,696,722
15.00 %	-4,011,397
20.00 %	-4,237,771
30.00 %	-4,225,235
50.00 %	-3,761,858
100.00 %	-2,709,131

#### Initial Division of Interest:

WI:	100.000000	Oil:	81.244000	NRI	0.000000
		Gas:	81.244000	ORI	0.000000
Reversion Date:	01/2014	Injection:	0.000000		0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	475,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	475,000	0
Remaining Net	291,033	0

#### Economics Information:

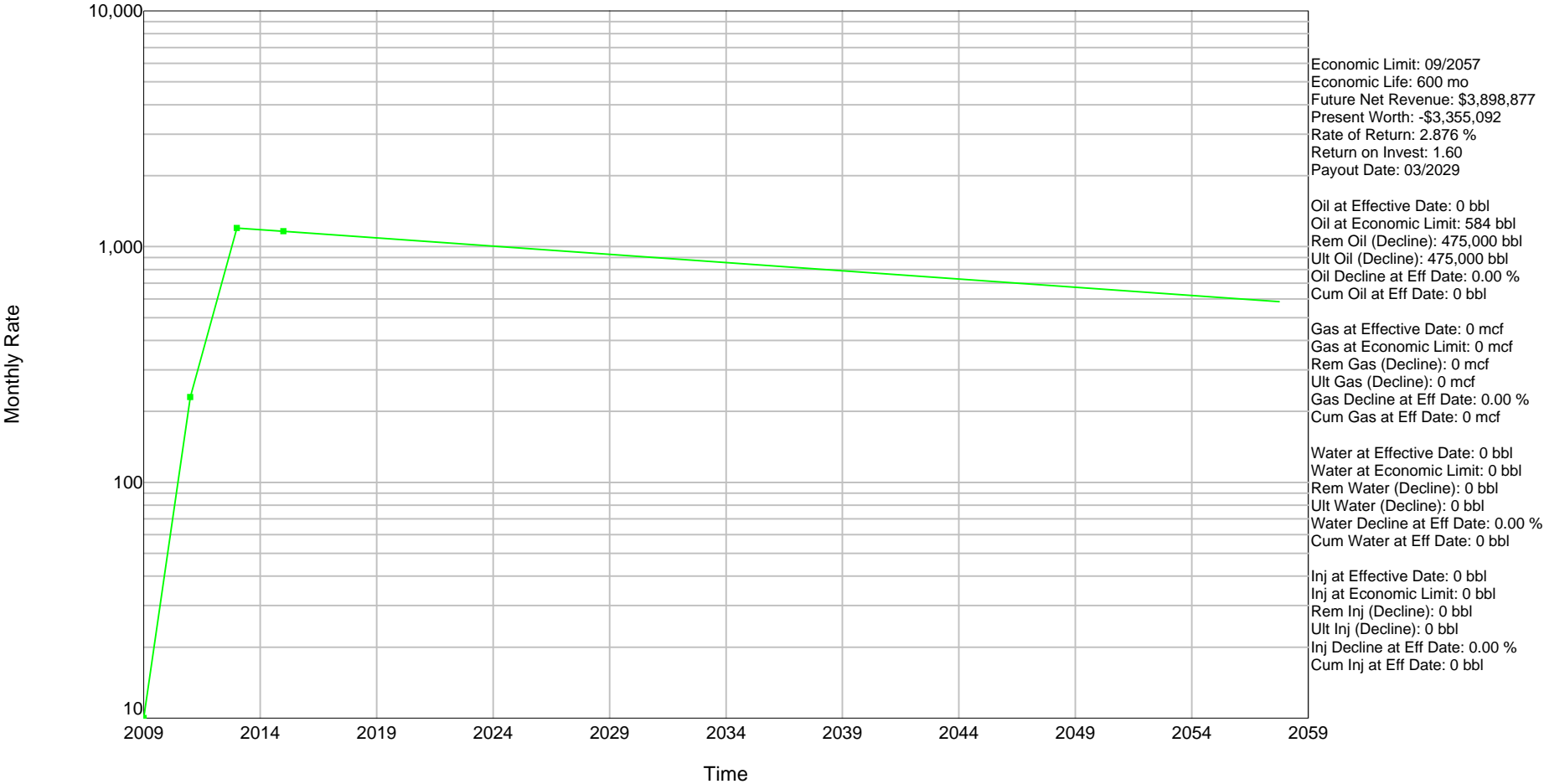
Net Payout Date:	03/2029
Rate of Return:	2.88 %
Return on Investment:	1.60
Disc Return on Invest:	0.41

Lease Name: NICKEL TOWN WF (LOW CASE) ()  
Operator: HAAS PETROLEUM  
Reservoir: MISSISSIPPI  
County, ST: WOODSON, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl  
  
Nickel Town - Low Case  
Waterflood

Date: 10/16/2007  
Time: 6:43 PM

NICKEL TOWN WF (LOW CASE) - WINTERSCHIED



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	475,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	475,000	0
Remaining Net	291,033	0

Nickel Town - Low Case

Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	47	2,433	0	1,976	0	70.00	0.00	138,345
12/2008	75	30,060	0	24,422	0	70.00	0.00	1,709,545
12/2009	163	62,338	0	50,646	0	70.00	0.00	3,545,199
12/2010	189	56,494	0	45,898	0	70.00	0.00	3,212,852
12/2011	189	52,603	0	42,736	0	70.00	0.00	2,991,549
12/2012	189	52,268	0	42,464	0	70.00	0.00	2,972,501
12/2013	189	51,682	0	41,989	0	70.00	0.00	2,939,208
12/2014	189	47,055	0	29,043	0	70.00	0.00	2,033,036
12/2015	189	43,010	0	25,748	0	70.00	0.00	1,802,332
12/2016	189	39,468	0	23,627	0	70.00	0.00	1,653,919
12/2017	189	36,362	0	21,768	0	70.00	0.00	1,523,743
12/2018	189	33,632	0	20,133	0	70.00	0.00	1,409,344
12/2019	189	31,228	0	18,694	0	70.00	0.00	1,308,599
12/2020	189	29,106	0	17,424	0	70.00	0.00	1,219,679
12/2021	189	27,229	0	16,300	0	70.00	0.00	1,141,005
Remainder:		424,987	0	254,414	0	70.00	0.00	17,809,008
Grand Total:		1,019,954	0	677,284	0	70.00	0.00	47,409,863

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	45,120	1,563	91,662	0	91,662	91,662	90,222
12/2008	280,190	19,318	1,410,037	7,327,690	-5,917,653	-5,825,991	-5,438,455
12/2009	584,880	40,061	2,920,258	6,292,690	-3,372,432	-9,198,422	-2,953,923
12/2010	669,480	36,305	2,507,066	0	2,507,066	-6,691,356	1,923,924
12/2011	669,480	33,804	2,288,264	0	2,288,264	-4,403,092	1,595,715
12/2012	669,480	33,589	2,269,432	0	2,269,432	-2,133,660	1,437,220
12/2013	669,480	33,213	2,236,515	0	2,236,515	102,855	1,289,520
12/2014	485,373	22,973	1,524,689	0	1,524,689	1,627,544	800,151
12/2015	468,636	20,366	1,313,330	0	1,313,330	2,940,874	625,788
12/2016	468,636	18,689	1,166,594	0	1,166,594	4,107,468	505,330
12/2017	468,636	17,218	1,037,889	0	1,037,889	5,145,357	408,703
12/2018	468,636	15,926	924,782	0	924,782	6,070,139	331,054
12/2019	468,636	14,787	825,176	0	825,176	6,895,315	268,540
12/2020	468,636	13,782	737,260	0	737,260	7,632,575	218,115
12/2021	468,636	12,893	659,476	0	659,476	8,292,051	177,365
Remainder:	10,264,237	201,242	7,343,529	0	7,343,529	15,635,580	906,513
Grand Total:	17,618,172	535,731	29,255,960	13,620,380	15,635,580	15,635,580	2,185,785

## Discount Present Worth:

0.00 %	15,635,580
5.00 %	6,381,226
8.00 %	3,538,638
9.00 %	2,820,181
10.00 %	2,185,785
12.00 %	1,120,291
15.00 %	-99,273
20.00 %	-1,477,588
30.00 %	-2,940,191
50.00 %	-3,874,390
100.00 %	-3,726,721

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

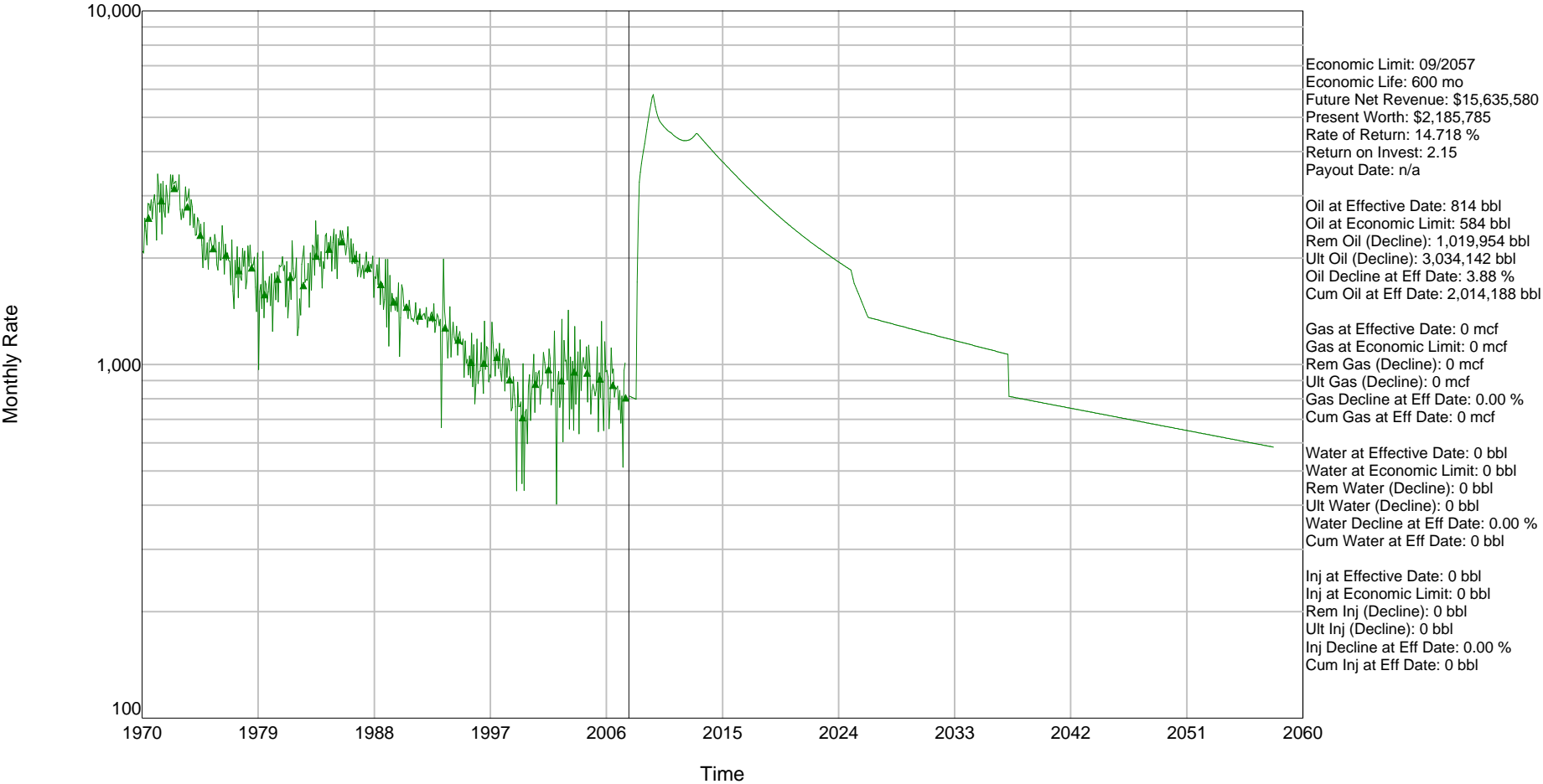
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,034,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	1,019,954	0
Remaining Net	677,284	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	14.72 %
Return on Investment:	2.15
Disc Return on Invest:	1.18

Nickel Town - Low Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,034,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	1,019,954	0
Remaining Net	677,284	0

Lease Name: NICKEL TOWN WF (HIGH CASE) ()  
 Operator: HAAS PETROLEUM  
 Reservoir: MISSISSIPPI  
 County, ST: WOODSON, KS  
 Location: VARIOUS

EnerJex Resources Interests  
 Based on Constant \$70/Bbl

Date: 10/16/2007  
 Time: 6:45 PM

Nickel Town - High Case  
 Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	0	0	0	0	0	0.00	0.00	0
12/2008	9	0	0	0	0	0.00	0.00	0
12/2009	50	967	0	786	0	70.00	0.00	55,010
12/2010	67	26,893	0	21,849	0	70.00	0.00	1,529,438
12/2011	67	95,556	0	77,634	0	70.00	0.00	5,434,358
12/2012	67	101,375	0	82,361	0	70.00	0.00	5,765,250
12/2013	67	100,254	0	81,451	0	70.00	0.00	5,701,543
12/2014	67	92,399	0	57,022	0	70.00	0.00	3,991,558
12/2015	67	85,159	0	50,980	0	70.00	0.00	3,568,580
12/2016	67	78,487	0	46,985	0	70.00	0.00	3,288,968
12/2017	67	72,337	0	43,304	0	70.00	0.00	3,031,265
12/2018	67	66,669	0	39,911	0	70.00	0.00	2,793,754
12/2019	67	61,445	0	36,784	0	70.00	0.00	2,574,853
12/2020	67	56,631	0	33,901	0	70.00	0.00	2,373,104
12/2021	67	52,194	0	31,245	0	70.00	0.00	2,187,162
Remainder:		534,634	0	320,053	0	70.00	0.00	22,403,723
Grand Total:		1,425,000	0	924,265	0	70.00	0.00	64,698,568

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	0	0	0	0	0	0	0
12/2008	26,750	0	-26,750	2,767,690	-2,794,440	-2,794,440	-2,545,956
12/2009	150,000	622	-95,612	3,727,690	-3,823,302	-6,617,742	-3,287,382
12/2010	201,000	17,283	1,311,155	0	1,311,155	-5,306,586	979,424
12/2011	201,000	61,408	5,171,950	0	5,171,950	-134,637	3,602,964
12/2012	201,000	65,147	5,499,102	0	5,499,102	5,364,466	3,482,613
12/2013	201,000	64,427	5,436,116	0	5,436,116	10,800,582	3,133,351
12/2014	145,725	45,105	3,800,728	0	3,800,728	14,601,310	1,994,150
12/2015	140,700	40,325	3,387,555	0	3,387,555	17,988,865	1,613,699
12/2016	140,700	37,165	3,111,103	0	3,111,103	21,099,968	1,347,283
12/2017	140,700	34,253	2,856,312	0	2,856,312	23,956,280	1,124,498
12/2018	140,700	31,569	2,621,485	0	2,621,485	26,577,765	938,229
12/2019	140,700	29,096	2,405,058	0	2,405,058	28,982,822	782,520
12/2020	140,700	26,816	2,205,588	0	2,205,588	31,188,410	652,384
12/2021	140,700	24,715	2,021,748	0	2,021,748	33,210,158	543,644
Remainder:	4,784,973	253,162	17,365,589	0	17,365,589	50,575,746	2,576,651
Grand Total:	6,896,348	731,094	57,071,126	6,495,380	50,575,746	50,575,746	16,938,072

#### Discount Present Worth:

0.00 %	50,575,746
5.00 %	28,015,456
8.00 %	20,559,610
9.00 %	18,641,656
10.00 %	16,938,072
12.00 %	14,056,854
15.00 %	10,728,410
20.00 %	6,915,551
30.00 %	2,718,439
50.00 %	-467,442
100.00 %	-1,809,407

#### Initial Division of Interest:

WI:	100.000000	Oil:	81.244000	ORI	0.000000
		Gas:	81.244000		0.000000
Reversion Date:	01/2014	Injection:	0.000000		0.000000

#### Economic Dates:

Effective Date	10/2007
Calculated Limit	01/2047
Economic Life	472 Months
	39 Years 4 Months

#### Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	1,425,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	1,425,000	0
Remaining Net	924,265	0

#### Economics Information:

Net Payout Date:	01/2012
Rate of Return:	45.07 %
Return on Investment:	8.79
Disc Return on Invest:	3.96



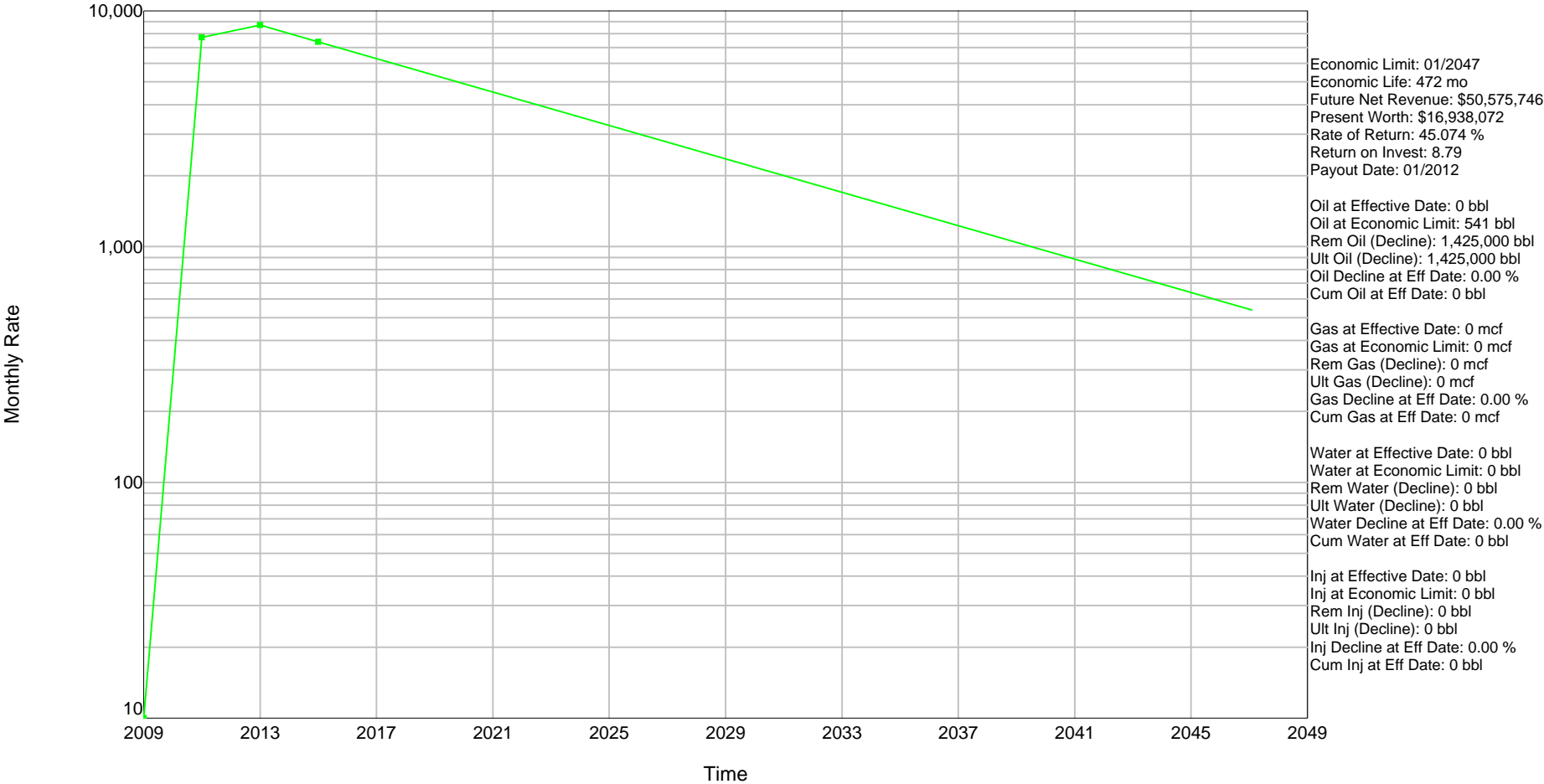
Lease Name: NICKEL TOWN WF (HIGH CASE) ()  
Operator: HAAS PETROLEUM  
Reservoir: MISSISSIPPI  
County, ST: WOODSON, KS  
Location: VARIOUS

EnerJex Resources Interests  
Based on Constant \$70/Bbl

Date: 10/16/2007  
Time: 6:46 PM

Nickel Town - High Case  
Waterflood

NICKEL TOWN WF (HIGH CASE) - WINTERSCHIED



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	1,425,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	1,425,000	0
Remaining Net	924,265	0

Nickel Town - High Case

Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	47	2,433	0	1,976	0	70.00	0.00	138,345
12/2008	75	30,060	0	24,422	0	70.00	0.00	1,709,545
12/2009	163	63,015	0	51,196	0	70.00	0.00	3,583,686
12/2010	189	81,994	0	66,615	0	70.00	0.00	4,663,046
12/2011	189	143,868	0	116,884	0	70.00	0.00	8,181,879
12/2012	189	143,841	0	116,862	0	70.00	0.00	8,180,353
12/2013	189	137,652	0	111,834	0	70.00	0.00	7,828,371
12/2014	189	125,398	0	77,399	0	70.00	0.00	5,417,899
12/2015	189	114,337	0	68,447	0	70.00	0.00	4,791,288
12/2016	189	104,344	0	62,465	0	70.00	0.00	4,372,523
12/2017	189	95,305	0	57,054	0	70.00	0.00	3,993,756
12/2018	189	87,122	0	52,154	0	70.00	0.00	3,650,811
12/2019	189	79,704	0	47,714	0	70.00	0.00	3,339,988
12/2020	189	72,975	0	43,686	0	70.00	0.00	3,058,001
12/2021	189	66,864	0	40,028	0	70.00	0.00	2,801,929
Remainder:		621,043	0	371,781	0	70.00	0.00	26,024,678
Grand Total:		1,969,954	0	1,310,516	0	70.00	0.00	91,736,098

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	45,120	1,563	91,662	0	91,662	91,662	90,222
12/2008	280,190	19,318	1,410,037	7,327,690	-5,917,653	-5,825,991	-5,438,455
12/2009	584,880	40,496	2,958,310	6,292,690	-3,334,380	-9,160,371	-2,922,690
12/2010	669,480	52,692	3,940,873	0	3,940,873	-5,219,497	2,998,093
12/2011	669,480	92,455	7,419,944	0	7,419,944	2,200,447	5,171,694
12/2012	669,480	92,438	7,418,435	0	7,418,435	9,618,882	4,700,253
12/2013	669,480	88,461	7,070,430	0	7,070,430	16,689,312	4,075,938
12/2014	485,373	61,222	4,871,304	0	4,871,304	21,560,616	2,556,180
12/2015	468,636	54,142	4,268,511	0	4,268,511	25,829,126	2,033,624
12/2016	468,636	49,410	3,854,478	0	3,854,478	29,683,604	1,669,428
12/2017	468,636	45,129	3,479,990	0	3,479,990	33,163,595	1,370,214
12/2018	468,636	41,254	3,140,921	0	3,140,921	36,304,516	1,124,283
12/2019	468,636	37,742	2,833,610	0	2,833,610	39,138,126	922,079
12/2020	468,636	34,555	2,554,809	0	2,554,809	41,692,935	755,781
12/2021	468,636	31,662	2,301,631	0	2,301,631	43,994,566	618,990
Remainder:	7,412,717	294,079	18,317,883	0	18,317,883	62,312,449	2,753,315
Grand Total:	14,766,652	1,036,618	75,932,829	13,620,380	62,312,449	62,312,449	22,478,949

## Discount Present Worth:

0.00 %	62,312,449
5.00 %	35,964,837
8.00 %	26,946,109
9.00 %	24,588,491
10.00 %	22,478,949
12.00 %	18,873,867
15.00 %	14,640,534
20.00 %	9,675,734
30.00 %	4,003,483
50.00 %	-579,973
100.00 %	-2,826,997

## Economic Dates:

Effective Date	10/2007
Calculated Limit	01/2047
Economic Life	472 Months
	39 Years 4 Months

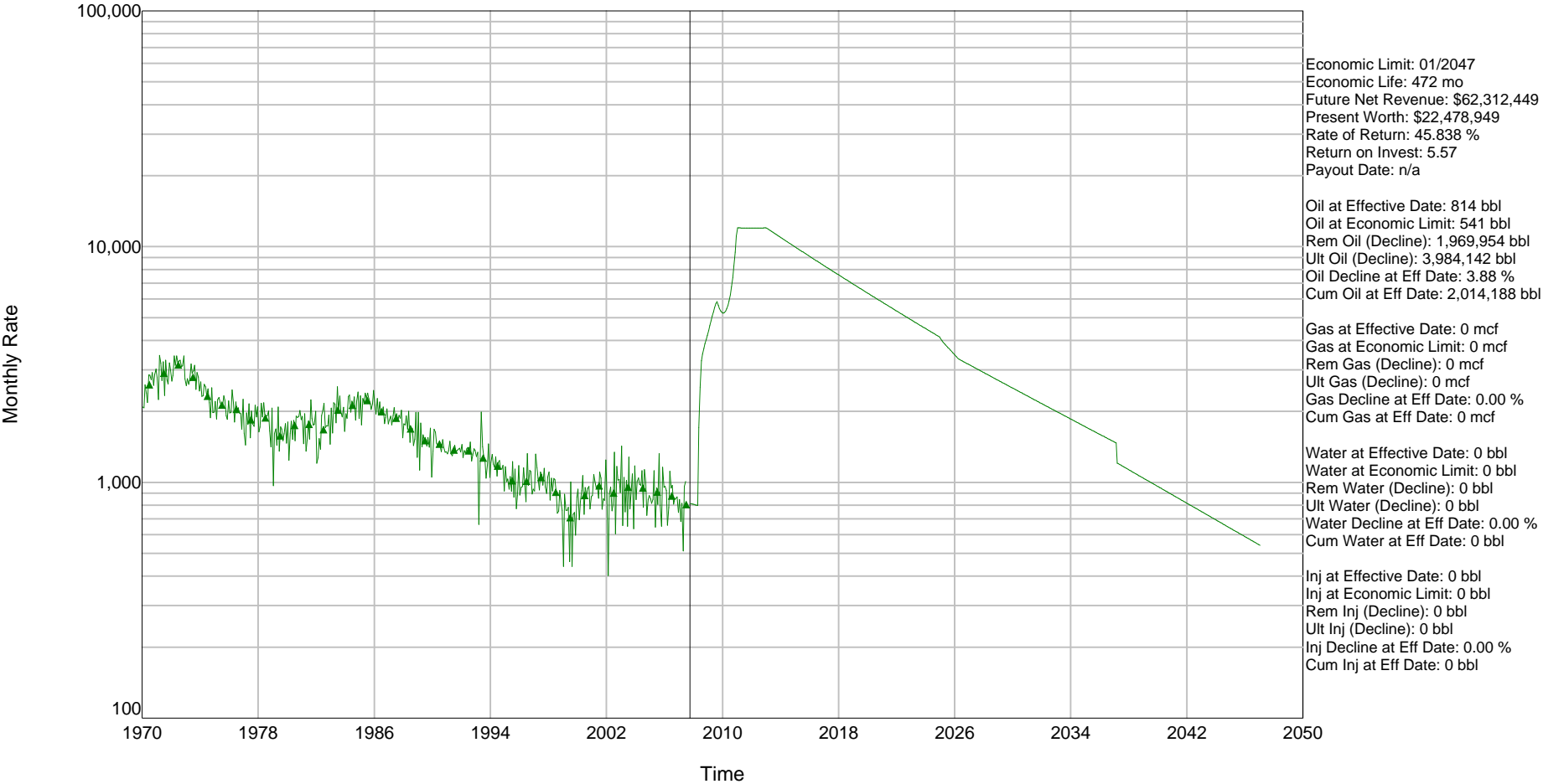
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,984,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	1,969,954	0
Remaining Net	1,310,516	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	45.84 %
Return on Investment:	5.57
Disc Return on Invest:	2.85

Nickel Town - High Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,984,142	0
Historic Gross	2,011,731	0
Gross at Eff Date	2,014,188	0
Remaining Gross	1,969,954	0
Remaining Net	1,310,516	0

Black Oaks & Nickel Town Combined  
Proved Developed Producing

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	100	7,484	0	6,017	0	70.00	0.00	421,210
12/2008	100	29,124	0	23,418	0	70.00	0.00	1,639,230
12/2009	100	27,869	0	22,409	0	70.00	0.00	1,568,629
12/2010	100	26,669	0	21,444	0	70.00	0.00	1,501,084
12/2011	100	25,520	0	20,521	0	70.00	0.00	1,436,461
12/2012	100	24,421	0	19,638	0	70.00	0.00	1,374,634
12/2013	100	23,370	0	15,792	0	70.00	0.00	1,105,414
12/2014	100	22,364	0	13,387	0	70.00	0.00	937,108
12/2015	100	21,401	0	12,681	0	70.00	0.00	887,701
12/2016	100	20,480	0	12,136	0	70.00	0.00	849,527
12/2017	100	19,599	0	11,614	0	70.00	0.00	813,002
12/2018	100	18,757	0	11,115	0	70.00	0.00	778,056
12/2019	100	17,950	0	10,637	0	70.00	0.00	744,619
12/2020	100	17,178	0	10,180	0	70.00	0.00	712,626
12/2021	100	16,440	0	9,743	0	70.00	0.00	682,014
Remainder:		215,387	0	127,547	0	70.00	0.00	8,928,270
Grand Total:		534,014	0	348,280	0	70.00	0.00	24,379,586

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	96,000	4,760	320,450	0	320,450	320,450	315,415
12/2008	384,000	18,523	1,236,707	0	1,236,707	1,557,157	1,147,779
12/2009	384,000	17,726	1,166,904	0	1,166,904	2,724,061	984,548
12/2010	384,000	16,962	1,100,122	0	1,100,122	3,824,183	843,826
12/2011	384,000	16,232	1,036,229	0	1,036,229	4,860,412	722,567
12/2012	384,000	15,533	975,101	0	975,101	5,835,513	618,134
12/2013	328,032	12,491	764,891	0	764,891	6,600,404	441,161
12/2014	273,312	10,589	653,206	0	653,206	7,253,610	342,329
12/2015	268,800	10,031	608,870	0	608,870	7,862,480	289,993
12/2016	268,800	9,600	571,127	0	571,127	8,433,608	247,290
12/2017	268,800	9,187	535,015	0	535,015	8,968,623	210,597
12/2018	268,800	8,792	500,464	0	500,464	9,469,087	179,090
12/2019	268,800	8,414	467,405	0	467,405	9,936,492	152,056
12/2020	268,800	8,053	435,773	0	435,773	10,372,265	128,880
12/2021	268,800	7,707	405,508	0	405,508	10,777,772	109,028
Remainder:	5,311,488	100,889	3,515,893	0	3,515,893	14,293,665	528,164
Grand Total:	9,810,432	275,489	14,293,665	0	14,293,665	14,293,665	7,260,855

## Discount Present Worth:

0.00 %	14,293,665
5.00 %	9,638,162
8.00 %	8,050,525
9.00 %	7,634,294
10.00 %	7,260,855
12.00 %	6,619,183
15.00 %	5,856,107
20.00 %	4,935,351
30.00 %	3,802,479
50.00 %	2,682,785
100.00 %	1,662,676

## Economic Dates:

Effective Date	10/2007
Calculated Limit	10/2045
Economic Life	457 Months
	38 Years 1 Month

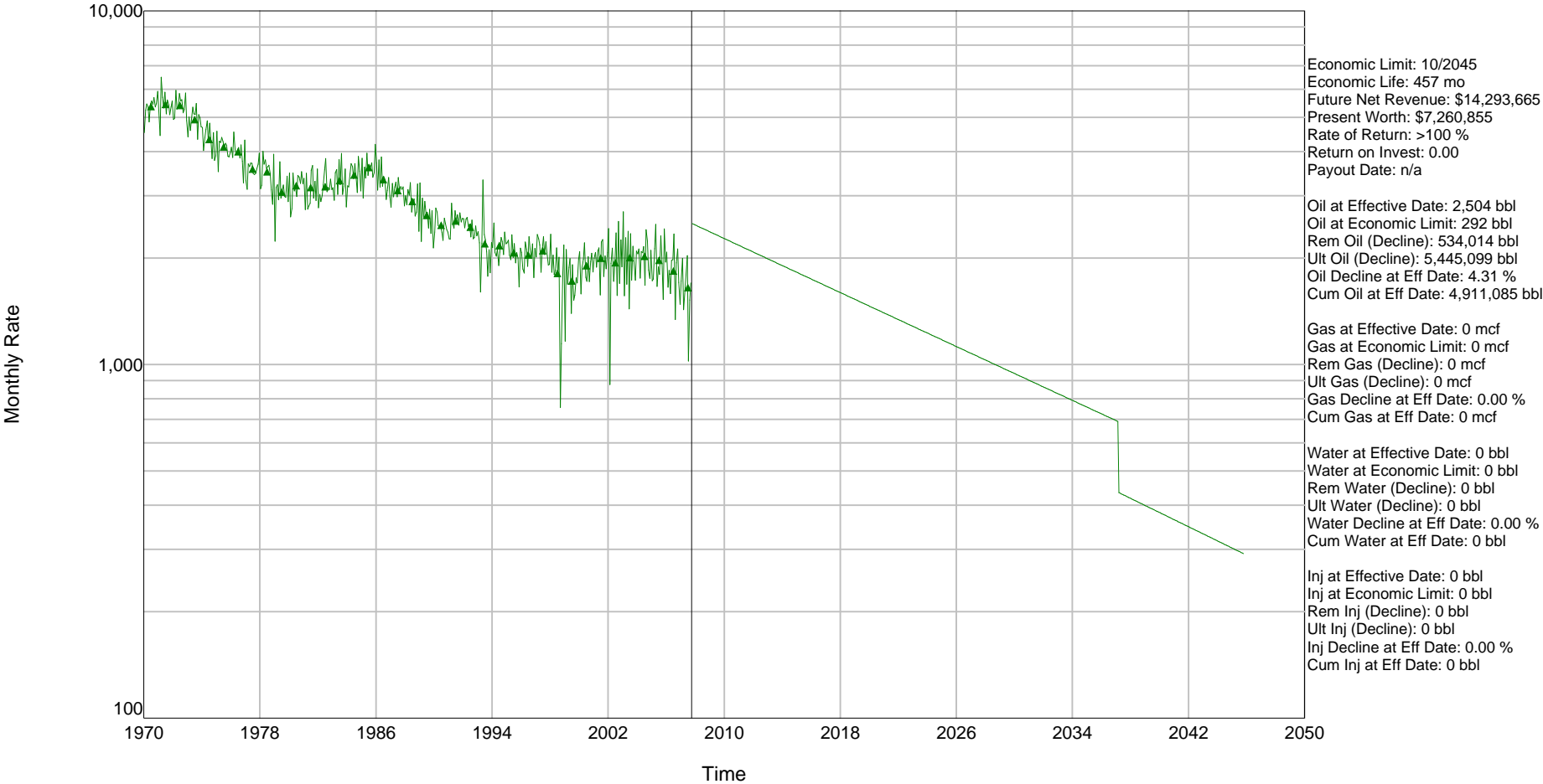
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	5,445,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	534,014	0
Remaining Net	348,280	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	>100 %
Return on Investment:	0.00
Disc Return on Invest:	0.00

Black Oaks & Nickel Town Combined  
Proved Developed Producing



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	5,445,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	534,014	0
Remaining Net	348,280	0

Black Oaks & Nickel Town Combined  
Development Drilling

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	5	1,753	0	1,402	0	70.00	0.00	98,146
12/2008	41	41,015	0	33,067	0	70.00	0.00	2,314,723
12/2009	98	74,056	0	59,903	0	70.00	0.00	4,193,196
12/2010	107	64,423	0	52,115	0	70.00	0.00	3,648,042
12/2011	107	55,471	0	44,873	0	70.00	0.00	3,141,116
12/2012	107	47,796	0	38,664	0	70.00	0.00	2,706,506
12/2013	107	41,183	0	31,095	0	70.00	0.00	2,176,663
12/2014	107	35,485	0	21,637	0	70.00	0.00	1,514,619
12/2015	107	30,575	0	18,225	0	70.00	0.00	1,275,729
12/2016	107	26,345	0	15,703	0	70.00	0.00	1,099,216
12/2017	107	22,700	0	13,530	0	70.00	0.00	947,127
12/2018	107	19,559	0	11,658	0	70.00	0.00	816,081
12/2019	107	16,853	0	10,045	0	70.00	0.00	703,166
12/2020	107	14,521	0	8,655	0	70.00	0.00	605,875
12/2021	107	12,512	0	7,458	0	70.00	0.00	522,045
Remainder:		30,756	0	18,340	0	70.00	0.00	1,283,819
Grand Total:		535,000	0	386,372	0	70.00	0.00	27,046,069

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	5,120	1,109	91,917	190,000	-98,083	-98,083	-96,926
12/2008	156,160	26,156	2,132,406	6,745,000	-4,612,594	-4,710,677	-4,300,648
12/2009	377,280	47,383	3,768,533	2,565,000	1,203,533	-3,507,144	968,624
12/2010	410,880	41,223	3,195,939	0	3,195,939	-311,205	2,453,558
12/2011	410,880	35,495	2,694,742	0	2,694,742	2,383,537	1,880,704
12/2012	410,880	30,584	2,265,042	0	2,265,042	4,648,579	1,437,149
12/2013	377,088	24,596	1,774,978	0	1,774,978	6,423,558	1,024,157
12/2014	294,816	17,115	1,202,688	0	1,202,688	7,626,245	631,296
12/2015	287,616	14,416	973,697	0	973,697	8,599,942	464,226
12/2016	287,616	12,421	799,179	0	799,179	9,399,121	346,409
12/2017	287,616	10,703	648,808	0	648,808	10,047,930	255,689
12/2018	287,616	9,222	519,243	0	519,243	10,567,173	186,050
12/2019	287,616	7,946	407,605	0	407,605	10,974,777	132,795
12/2020	287,616	6,846	311,413	0	311,413	11,286,190	92,257
12/2021	287,616	5,899	228,530	0	228,530	11,514,720	61,572
Remainder:	965,216	14,507	304,096	0	304,096	11,818,816	70,159
Grand Total:	5,421,632	305,621	21,318,816	9,500,000	11,818,816	11,818,816	5,607,071

## Discount Present Worth:

0.00 %	11,818,816
5.00 %	8,114,219
8.00 %	6,501,064
9.00 %	6,038,114
10.00 %	5,607,071
12.00 %	4,829,932
15.00 %	3,843,062
20.00 %	2,562,162
30.00 %	882,027
50.00 %	-750,910
100.00 %	-1,825,102

## Economic Dates:

Effective Date	10/2007
Calculated Limit	03/2026
Economic Life	222 Months
	18 Years 6 Months

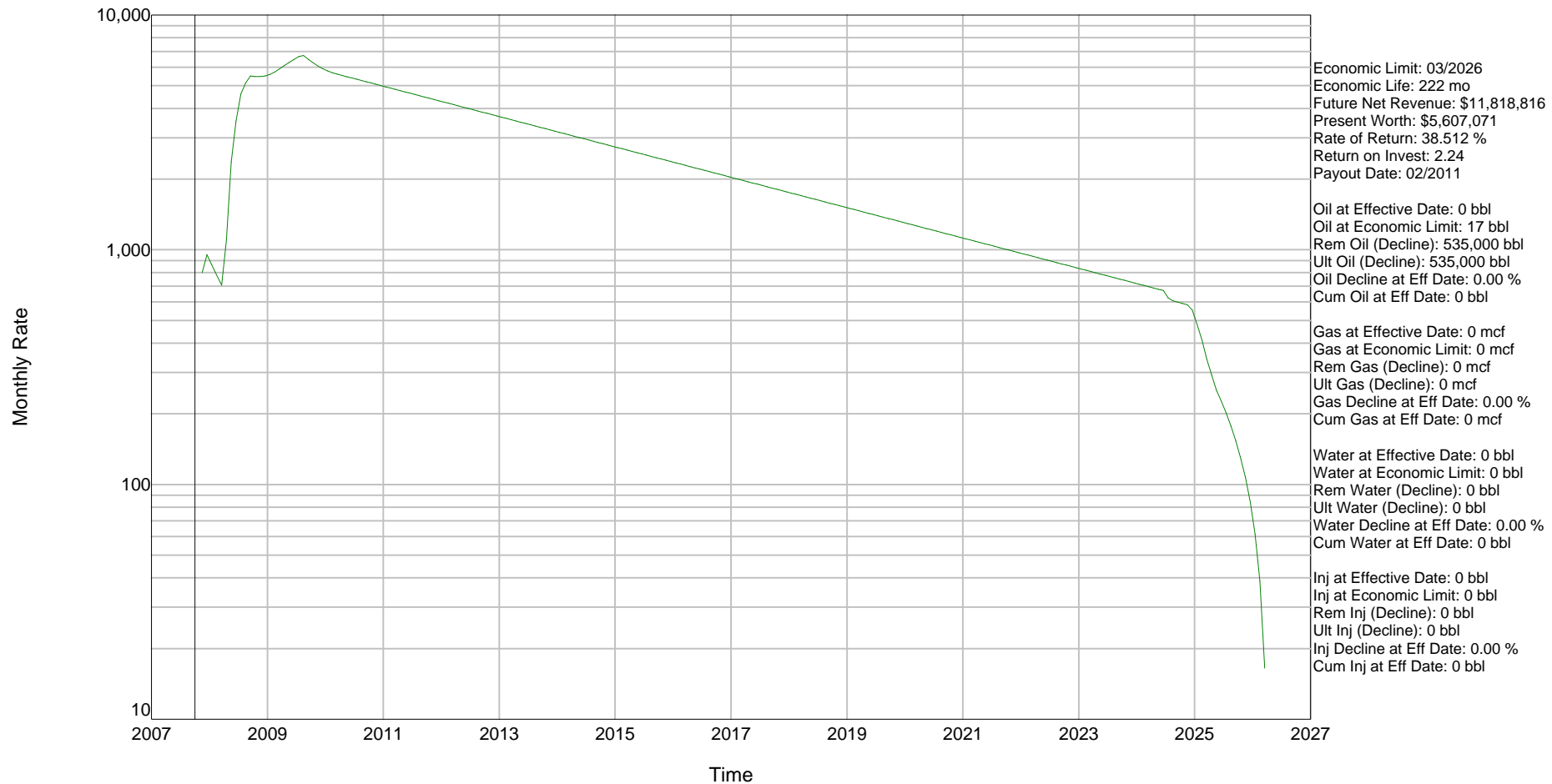
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	535,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	535,000	0
Remaining Net	386,372	0

## Economics Information:

Net Payout Date:	02/2011
Rate of Return:	38.51 %
Return on Investment:	2.24
Disc Return on Invest:	1.65

Black Oaks & Nickel Town Combined  
Development Drilling



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	535,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	535,000	0
Remaining Net	386,372	0

Black Oaks & Nickel Town Combined  
Proved Developed Producing + Development Drilling

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	105	9,236	0	7,419	0	70.00	0.00	519,356
12/2008	141	70,139	0	56,485	0	70.00	0.00	3,953,953
12/2009	198	101,925	0	82,312	0	70.00	0.00	5,761,825
12/2010	207	91,092	0	73,559	0	70.00	0.00	5,149,126
12/2011	207	80,991	0	65,394	0	70.00	0.00	4,577,578
12/2012	207	72,217	0	58,302	0	70.00	0.00	4,081,140
12/2013	207	64,553	0	46,887	0	70.00	0.00	3,282,077
12/2014	207	57,848	0	35,025	0	70.00	0.00	2,451,727
12/2015	207	51,976	0	30,906	0	70.00	0.00	2,163,430
12/2016	207	46,825	0	27,839	0	70.00	0.00	1,948,743
12/2017	207	42,299	0	25,145	0	70.00	0.00	1,760,129
12/2018	207	38,315	0	22,773	0	70.00	0.00	1,594,137
12/2019	207	34,803	0	20,683	0	70.00	0.00	1,447,785
12/2020	207	31,699	0	18,836	0	70.00	0.00	1,318,501
12/2021	207	28,952	0	17,201	0	70.00	0.00	1,204,059
Remainder:		246,143	0	145,887	0	70.00	0.00	10,212,090
Grand Total:		1,069,014	0	734,652	0	70.00	0.00	51,425,655

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	101,120	5,869	412,367	190,000	222,367	222,367	218,489
12/2008	540,160	44,680	3,369,113	6,745,000	-3,375,887	-3,153,520	-3,152,869
12/2009	761,280	65,109	4,935,436	2,565,000	2,370,436	-783,083	1,953,172
12/2010	794,880	58,185	4,296,061	0	4,296,061	3,512,978	3,297,384
12/2011	794,880	51,727	3,730,971	0	3,730,971	7,243,949	2,603,271
12/2012	794,880	46,117	3,240,143	0	3,240,143	10,484,092	2,055,283
12/2013	705,120	37,087	2,539,869	0	2,539,869	13,023,961	1,465,317
12/2014	568,128	27,705	1,855,894	0	1,855,894	14,879,855	973,625
12/2015	556,416	24,447	1,582,567	0	1,582,567	16,462,422	754,218
12/2016	556,416	22,021	1,370,307	0	1,370,307	17,832,729	593,700
12/2017	556,416	19,889	1,183,824	0	1,183,824	19,016,553	466,286
12/2018	556,416	18,014	1,019,707	0	1,019,707	20,036,260	365,140
12/2019	556,416	16,360	875,009	0	875,009	20,911,269	284,851
12/2020	556,416	14,899	747,186	0	747,186	21,658,455	221,137
12/2021	556,416	13,606	634,038	0	634,038	22,292,492	170,600
Remainder:	6,276,704	115,397	3,819,989	0	3,819,989	26,112,481	598,322
Grand Total:	15,232,064	581,110	35,612,481	9,500,000	26,112,481	26,112,481	12,867,926

## Discount Present Worth:

0.00 %	26,112,481
5.00 %	17,752,381
8.00 %	14,551,589
9.00 %	13,672,408
10.00 %	12,867,926
12.00 %	11,449,116
15.00 %	9,699,169
20.00 %	7,497,512
30.00 %	4,684,506
50.00 %	1,931,875
100.00 %	-162,425

## Economic Dates:

Effective Date	10/2007
Calculated Limit	10/2045
Economic Life	457 Months
	38 Years 1 Month

## Economics Information:

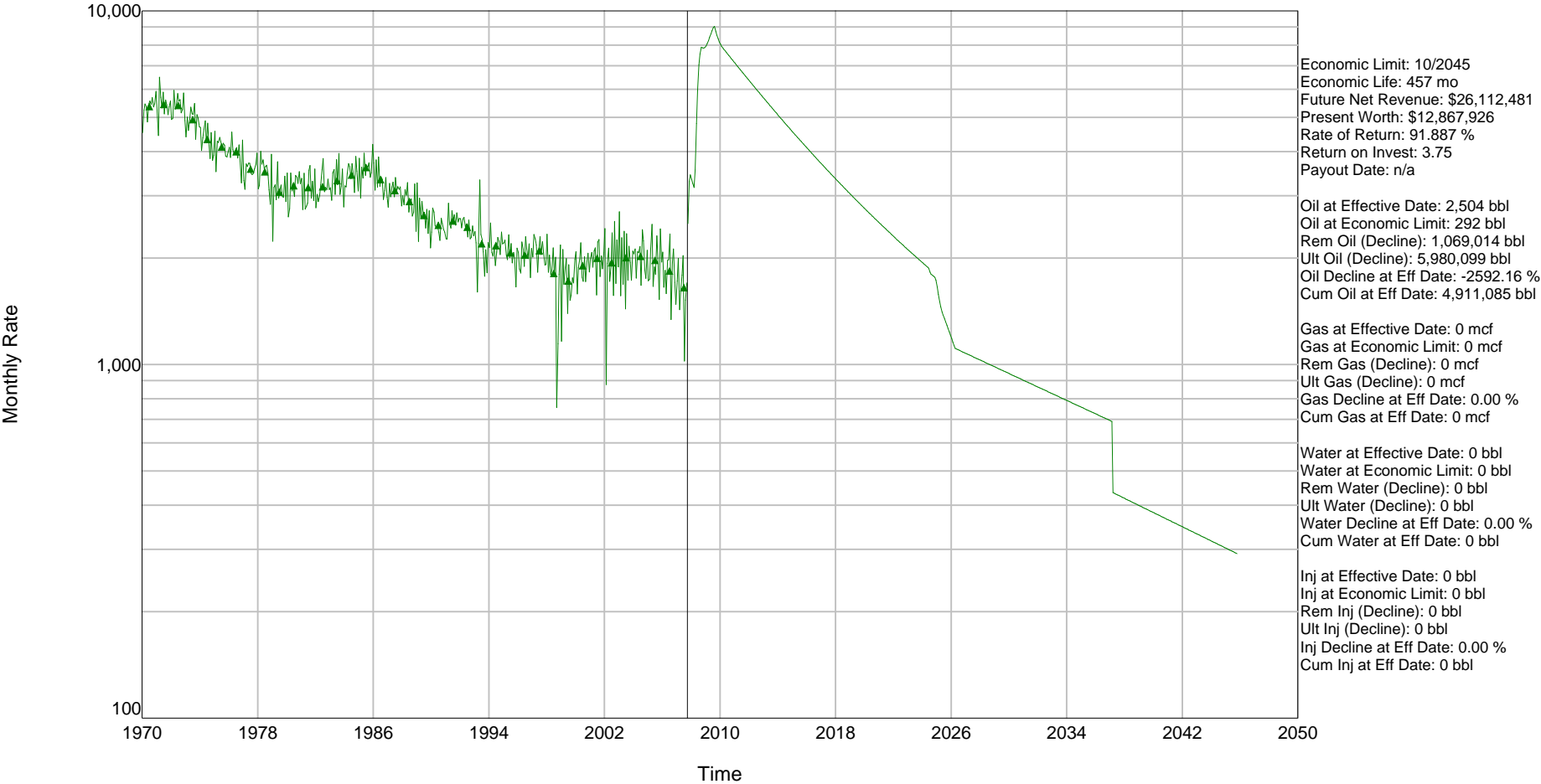
Net Payout Date:	10/2007
Rate of Return:	91.89 %
Return on Investment:	3.75
Disc Return on Invest:	2.49

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	5,980,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	1,069,014	0
Remaining Net	734,652	0



Black Oaks & Nickel Town Combined  
Proved Developed Producing + Development Drilling



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	5,980,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	1,069,014	0
Remaining Net	734,652	0

Black Oaks & Nickel Town Combined - Base Case  
Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	6	0	0	0	0	0.00	0.00	0
12/2008	27	152	0	121	0	70.00	0.00	8,504
12/2009	95	5,545	0	4,446	0	70.00	0.00	311,186
12/2010	112	77,492	0	62,172	0	70.00	0.00	4,352,016
12/2011	112	134,669	0	108,325	0	70.00	0.00	7,582,764
12/2012	112	142,589	0	114,734	0	70.00	0.00	8,031,371
12/2013	112	140,056	0	96,302	0	70.00	0.00	6,741,122
12/2014	112	132,084	0	79,277	0	70.00	0.00	5,549,382
12/2015	112	124,567	0	73,874	0	70.00	0.00	5,171,180
12/2016	112	117,477	0	69,669	0	70.00	0.00	4,876,835
12/2017	112	110,791	0	65,704	0	70.00	0.00	4,599,249
12/2018	112	104,486	0	61,964	0	70.00	0.00	4,337,468
12/2019	112	98,540	0	58,437	0	70.00	0.00	4,090,591
12/2020	112	92,932	0	55,111	0	70.00	0.00	3,857,770
12/2021	112	87,644	0	51,974	0	70.00	0.00	3,638,204
Remainder:		1,230,976	0	729,678	0	70.00	0.00	51,077,458
Grand Total:		2,600,000	0	1,631,787	0	70.00	0.00	114,225,102

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	4,750	0	-4,750	320,000	-324,750	-324,750	-317,133
12/2008	80,250	96	-71,842	5,443,165	-5,515,007	-5,839,757	-5,015,551
12/2009	283,750	3,516	23,920	4,127,690	-4,103,770	-9,943,527	-3,543,431
12/2010	336,000	49,178	3,966,838	0	3,966,838	-5,976,689	3,001,075
12/2011	336,000	85,685	7,161,079	0	7,161,079	1,184,389	4,988,441
12/2012	336,000	90,754	7,604,617	0	7,604,617	8,789,006	4,816,912
12/2013	298,875	76,175	6,366,073	0	6,366,073	15,155,079	3,671,302
12/2014	240,225	62,708	5,246,449	0	5,246,449	20,401,528	2,749,993
12/2015	235,200	58,434	4,877,546	0	4,877,546	25,279,074	2,323,041
12/2016	235,200	55,108	4,586,527	0	4,586,527	29,865,601	1,985,855
12/2017	235,200	51,972	4,312,078	0	4,312,078	34,177,679	1,697,298
12/2018	235,200	49,013	4,053,254	0	4,053,254	38,230,933	1,450,385
12/2019	235,200	46,224	3,809,167	0	3,809,167	42,040,100	1,239,132
12/2020	235,200	43,593	3,578,977	0	3,578,977	45,619,077	1,058,412
12/2021	235,200	41,112	3,361,893	0	3,361,893	48,980,970	903,832
Remainder:	10,431,750	577,175	40,068,533	0	40,068,533	89,049,503	5,087,671
Grand Total:	13,994,000	1,290,744	98,940,358	9,890,855	89,049,503	89,049,503	26,097,234

## Discount Present Worth:

0.00 %	89,049,503
5.00 %	45,097,509
8.00 %	32,125,619
9.00 %	28,911,318
10.00 %	26,097,234
12.00 %	21,423,327
15.00 %	16,151,874
20.00 %	10,267,500
30.00 %	3,944,663
50.00 %	-816,218
100.00 %	-2,935,912

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

## Economics Information:

Net Payout Date:	11/2011
Rate of Return:	44.40 %
Return on Investment:	10.00
Disc Return on Invest:	3.96

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	2,600,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	2,600,000	0
Remaining Net	1,631,787	0

Black Oaks & Nickel Town Combined - Base Case  
Waterflood



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	2,600,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	2,600,000	0
Remaining Net	1,631,787	0

Black Oaks & Nickel Town Combined - Base Case  
Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	112	9,236	0	7,419	0	70.00	0.00	519,356
12/2008	167	70,291	0	56,607	0	70.00	0.00	3,962,456
12/2009	293	107,470	0	86,757	0	70.00	0.00	6,073,011
12/2010	319	168,584	0	135,731	0	70.00	0.00	9,501,142
12/2011	319	215,660	0	173,719	0	70.00	0.00	12,160,342
12/2012	319	214,806	0	173,036	0	70.00	0.00	12,112,511
12/2013	319	204,608	0	143,189	0	70.00	0.00	10,023,199
12/2014	319	189,933	0	114,302	0	70.00	0.00	8,001,109
12/2015	319	176,543	0	104,780	0	70.00	0.00	7,334,610
12/2016	319	164,302	0	97,508	0	70.00	0.00	6,825,579
12/2017	319	153,091	0	90,848	0	70.00	0.00	6,359,378
12/2018	319	142,802	0	84,737	0	70.00	0.00	5,931,604
12/2019	319	133,343	0	79,120	0	70.00	0.00	5,538,376
12/2020	319	124,631	0	73,947	0	70.00	0.00	5,176,271
12/2021	319	116,595	0	69,175	0	70.00	0.00	4,842,264
Remainder:		1,477,119	0	875,565	0	70.00	0.00	61,289,548
Grand Total:		3,669,014	0	2,366,439	0	70.00	0.00	165,650,757

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	105,870	5,869	407,617	510,000	-102,383	-102,383	-98,644
12/2008	620,410	44,776	3,297,271	12,188,165	-8,890,894	-8,993,277	-8,168,420
12/2009	1,045,030	68,625	4,959,356	6,692,690	-1,733,334	-10,726,611	-1,590,260
12/2010	1,130,880	107,363	8,262,899	0	8,262,899	-2,463,712	6,298,459
12/2011	1,130,880	137,412	10,892,050	0	10,892,050	8,428,338	7,591,712
12/2012	1,130,880	136,871	10,844,760	0	10,844,760	19,273,098	6,872,195
12/2013	1,003,995	113,262	8,905,942	0	8,905,942	28,179,040	5,136,620
12/2014	808,353	90,413	7,102,343	0	7,102,343	35,281,383	3,723,618
12/2015	791,616	82,881	6,460,113	0	6,460,113	41,741,497	3,077,260
12/2016	791,616	77,129	5,956,834	0	5,956,834	47,698,330	2,579,554
12/2017	791,616	71,861	5,495,901	0	5,495,901	53,194,231	2,163,584
12/2018	791,616	67,027	5,072,961	0	5,072,961	58,267,193	1,815,525
12/2019	791,616	62,584	4,684,176	0	4,684,176	62,951,369	1,523,984
12/2020	791,616	58,492	4,326,163	0	4,326,163	67,277,532	1,279,548
12/2021	791,616	54,718	3,995,930	0	3,995,930	71,273,462	1,074,432
Remainder:	16,708,454	692,572	43,888,522	0	43,888,522	115,161,984	5,685,993
Grand Total:	29,226,064	1,871,854	134,552,839	19,390,855	115,161,984	115,161,984	38,965,160

## Discount Present Worth:

0.00 %	115,161,984
5.00 %	62,849,889
8.00 %	46,677,208
9.00 %	42,583,726
10.00 %	38,965,160
12.00 %	32,872,443
15.00 %	25,851,043
20.00 %	17,765,012
30.00 %	8,629,169
50.00 %	1,115,657
100.00 %	-3,098,337

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

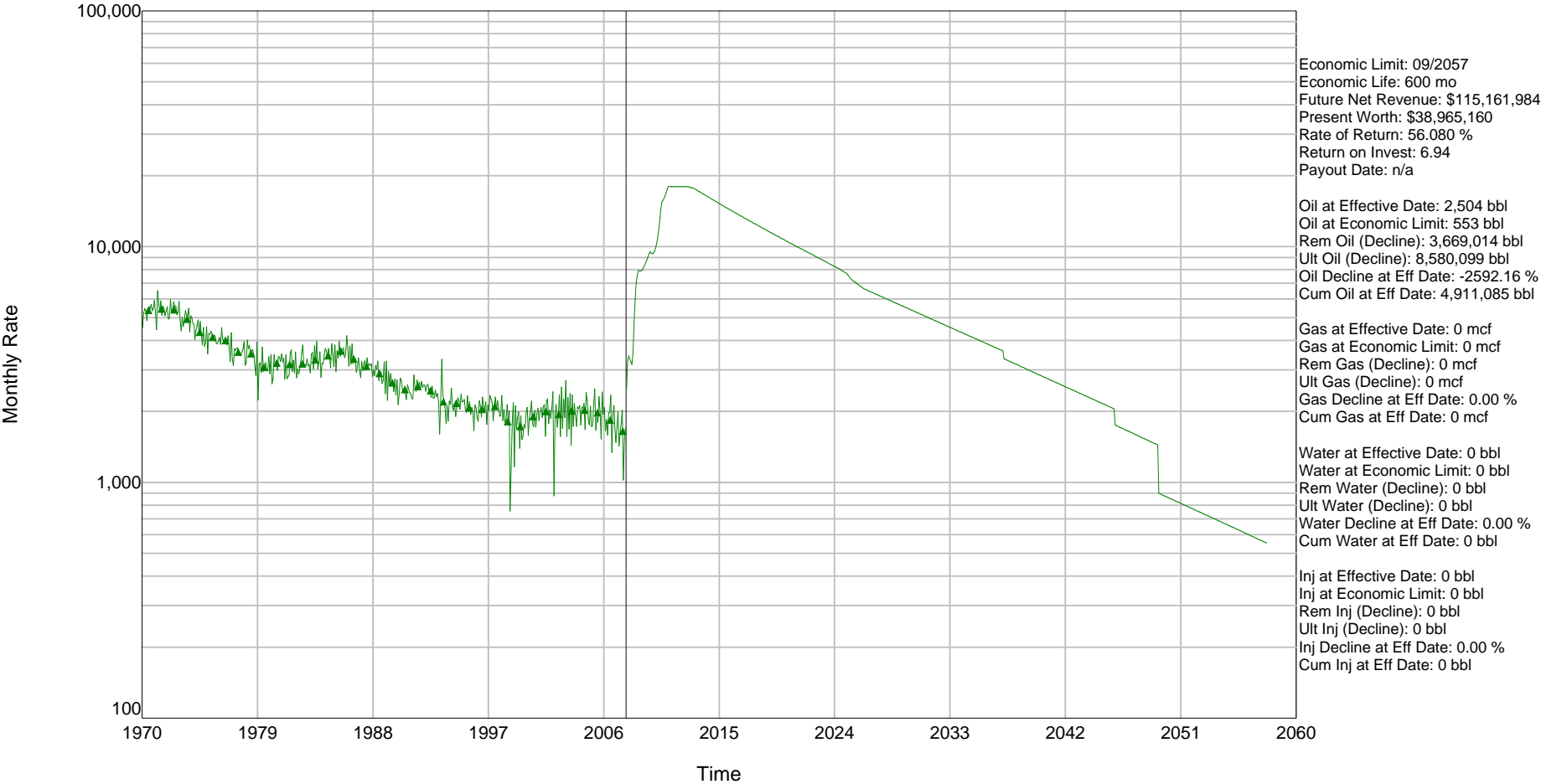
## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	56.08 %
Return on Investment:	6.94
Disc Return on Invest:	3.23

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	8,580,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	3,669,014	0
Remaining Net	2,366,439	0

Black Oaks & Nickel Town Combined - Base Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	8,580,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	3,669,014	0
Remaining Net	2,366,439	0

Black Oaks & Nickel Town Combined - Low Case  
Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	6	0	0	0	0	0.00	0.00	0
12/2008	27	125	0	100	0	70.00	0.00	7,010
12/2009	95	2,539	0	2,035	0	70.00	0.00	142,416
12/2010	112	20,522	0	16,435	0	70.00	0.00	1,150,423
12/2011	112	31,399	0	25,172	0	70.00	0.00	1,762,060
12/2012	112	39,637	0	31,831	0	70.00	0.00	2,228,203
12/2013	112	43,781	0	29,517	0	70.00	0.00	2,066,225
12/2014	112	42,702	0	25,553	0	70.00	0.00	1,788,711
12/2015	112	41,651	0	24,679	0	70.00	0.00	1,727,540
12/2016	112	40,628	0	24,074	0	70.00	0.00	1,685,162
12/2017	112	39,631	0	23,484	0	70.00	0.00	1,643,889
12/2018	112	38,660	0	22,910	0	70.00	0.00	1,603,688
12/2019	112	37,714	0	22,350	0	70.00	0.00	1,564,532
12/2020	112	36,793	0	21,806	0	70.00	0.00	1,526,392
12/2021	112	35,896	0	21,275	0	70.00	0.00	1,489,241
Remainder:		848,322	0	503,167	0	70.00	0.00	35,221,690
Grand Total:		1,300,000	0	794,388	0	70.00	0.00	55,607,183

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	4,750	0	-4,750	320,000	-324,750	-324,750	-317,133
12/2008	80,250	79	-73,319	5,443,165	-5,516,484	-5,841,234	-5,016,873
12/2009	283,750	1,609	-142,943	4,127,690	-4,270,633	-10,111,867	-3,680,626
12/2010	336,000	13,000	801,423	0	801,423	-9,310,444	606,349
12/2011	336,000	19,911	1,406,149	0	1,406,149	-7,904,295	978,024
12/2012	336,000	25,179	1,867,024	0	1,867,024	-6,037,270	1,180,372
12/2013	298,875	23,348	1,744,001	0	1,744,001	-4,293,269	1,005,622
12/2014	240,225	20,212	1,528,274	0	1,528,274	-2,764,995	800,743
12/2015	235,200	19,521	1,472,818	0	1,472,818	-1,292,177	701,283
12/2016	235,200	19,042	1,430,920	0	1,430,920	138,743	619,394
12/2017	235,200	18,576	1,390,113	0	1,390,113	1,528,856	547,027
12/2018	235,200	18,122	1,350,367	0	1,350,367	2,879,222	483,079
12/2019	235,200	17,679	1,311,653	0	1,311,653	4,190,875	426,573
12/2020	235,200	17,248	1,273,944	0	1,273,944	5,464,820	376,645
12/2021	235,200	16,828	1,237,213	0	1,237,213	6,702,032	332,532
Remainder:	12,704,055	398,005	22,119,630	0	22,119,630	28,821,662	2,363,997
Grand Total:	16,266,305	628,361	38,712,517	9,890,855	28,821,662	28,821,662	1,407,007

## Discount Present Worth:

0.00 %	28,821,662
5.00 %	8,487,562
8.00 %	3,508,633
9.00 %	2,369,534
10.00 %	1,407,007
12.00 %	-113,694
15.00 %	-1,696,579
20.00 %	-3,258,383
30.00 %	-4,575,114
50.00 %	-5,000,357
100.00 %	-4,183,522

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

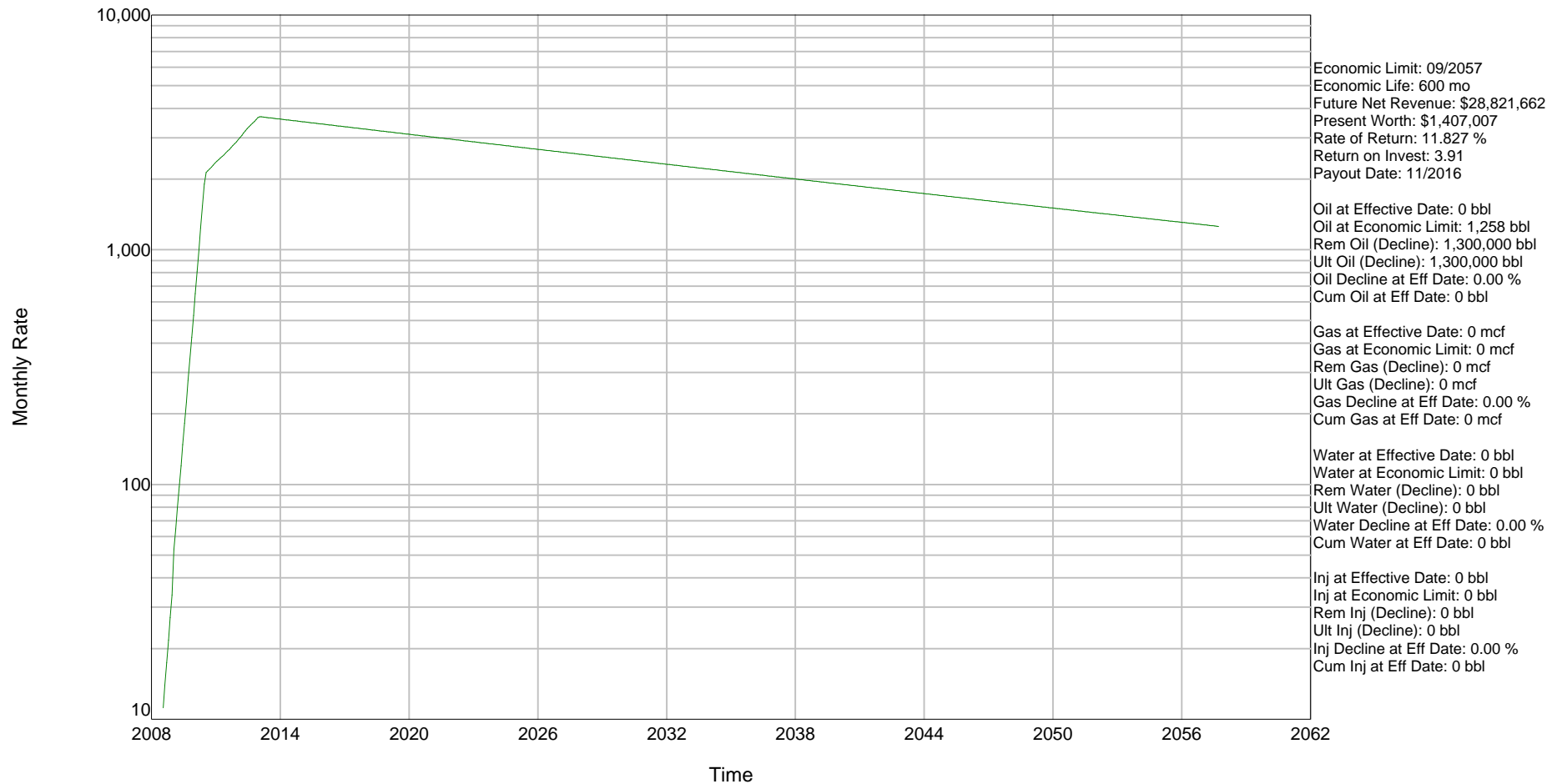
## Economics Information:

Net Payout Date:	11/2016
Rate of Return:	11.83 %
Return on Investment:	3.91
Disc Return on Invest:	1.16

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	1,300,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	1,300,000	0
Remaining Net	794,388	0

Black Oaks & Nickel Town Combined - Low Case  
Waterflood



Economics Summary:	Bbl Oil	Mcf Gas
Ultimate Gross	1,300,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	1,300,000	0
Remaining Net	794,388	0

Black Oaks & Nickel Town Combined - Low Case  
Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	112	9,236	0	7,419	0	70.00	0.00	519,356
12/2008	167	70,264	0	56,585	0	70.00	0.00	3,960,963
12/2009	293	104,464	0	84,346	0	70.00	0.00	5,904,241
12/2010	319	111,613	0	89,994	0	70.00	0.00	6,299,549
12/2011	319	112,390	0	90,566	0	70.00	0.00	6,339,638
12/2012	319	111,854	0	90,133	0	70.00	0.00	6,309,343
12/2013	319	108,334	0	76,404	0	70.00	0.00	5,348,301
12/2014	319	100,551	0	60,578	0	70.00	0.00	4,240,438
12/2015	319	93,628	0	55,585	0	70.00	0.00	3,890,969
12/2016	319	87,453	0	51,913	0	70.00	0.00	3,633,906
12/2017	319	81,930	0	48,629	0	70.00	0.00	3,404,018
12/2018	319	76,975	0	45,683	0	70.00	0.00	3,197,825
12/2019	319	72,517	0	43,033	0	70.00	0.00	3,012,317
12/2020	319	68,493	0	40,641	0	70.00	0.00	2,844,893
12/2021	319	64,848	0	38,476	0	70.00	0.00	2,693,300
Remainder:		1,094,465	0	649,054	0	70.00	0.00	45,433,779
Grand Total:		2,369,014	0	1,529,041	0	70.00	0.00	107,032,838

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	105,870	5,869	407,617	510,000	-102,383	-102,383	-98,644
12/2008	620,410	44,759	3,295,794	12,188,165	-8,892,371	-8,994,754	-8,169,742
12/2009	1,045,030	66,718	4,792,493	6,692,690	-1,900,197	-10,894,951	-1,727,454
12/2010	1,130,880	71,185	5,097,484	0	5,097,484	-5,797,466	3,903,733
12/2011	1,130,880	71,638	5,137,120	0	5,137,120	-660,346	3,581,296
12/2012	1,130,880	71,296	5,107,167	0	5,107,167	4,446,821	3,235,654
12/2013	1,003,995	60,436	4,283,871	0	4,283,871	8,730,692	2,470,939
12/2014	808,353	47,917	3,384,168	0	3,384,168	12,114,860	1,774,368
12/2015	791,616	43,968	3,055,385	0	3,055,385	15,170,245	1,455,501
12/2016	791,616	41,063	2,801,227	0	2,801,227	17,971,472	1,213,093
12/2017	791,616	38,465	2,573,937	0	2,573,937	20,545,409	1,013,313
12/2018	791,616	36,135	2,370,073	0	2,370,073	22,915,482	848,219
12/2019	791,616	34,039	2,186,662	0	2,186,662	25,102,144	711,424
12/2020	791,616	32,147	2,021,130	0	2,021,130	27,123,274	597,782
12/2021	791,616	30,434	1,871,250	0	1,871,250	28,994,525	503,132
Remainder:	18,980,759	513,402	25,939,619	0	25,939,619	54,934,143	2,962,319
Grand Total:	31,498,369	1,209,471	74,324,998	19,390,855	54,934,143	54,934,143	14,274,933

## Discount Present Worth:

0.00 %	54,934,143
5.00 %	26,239,943
8.00 %	18,060,223
9.00 %	16,041,942
10.00 %	14,274,933
12.00 %	11,335,422
15.00 %	8,002,590
20.00 %	4,239,129
30.00 %	109,392
50.00 %	-3,068,482
100.00 %	-4,345,947

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

## Economics Information:

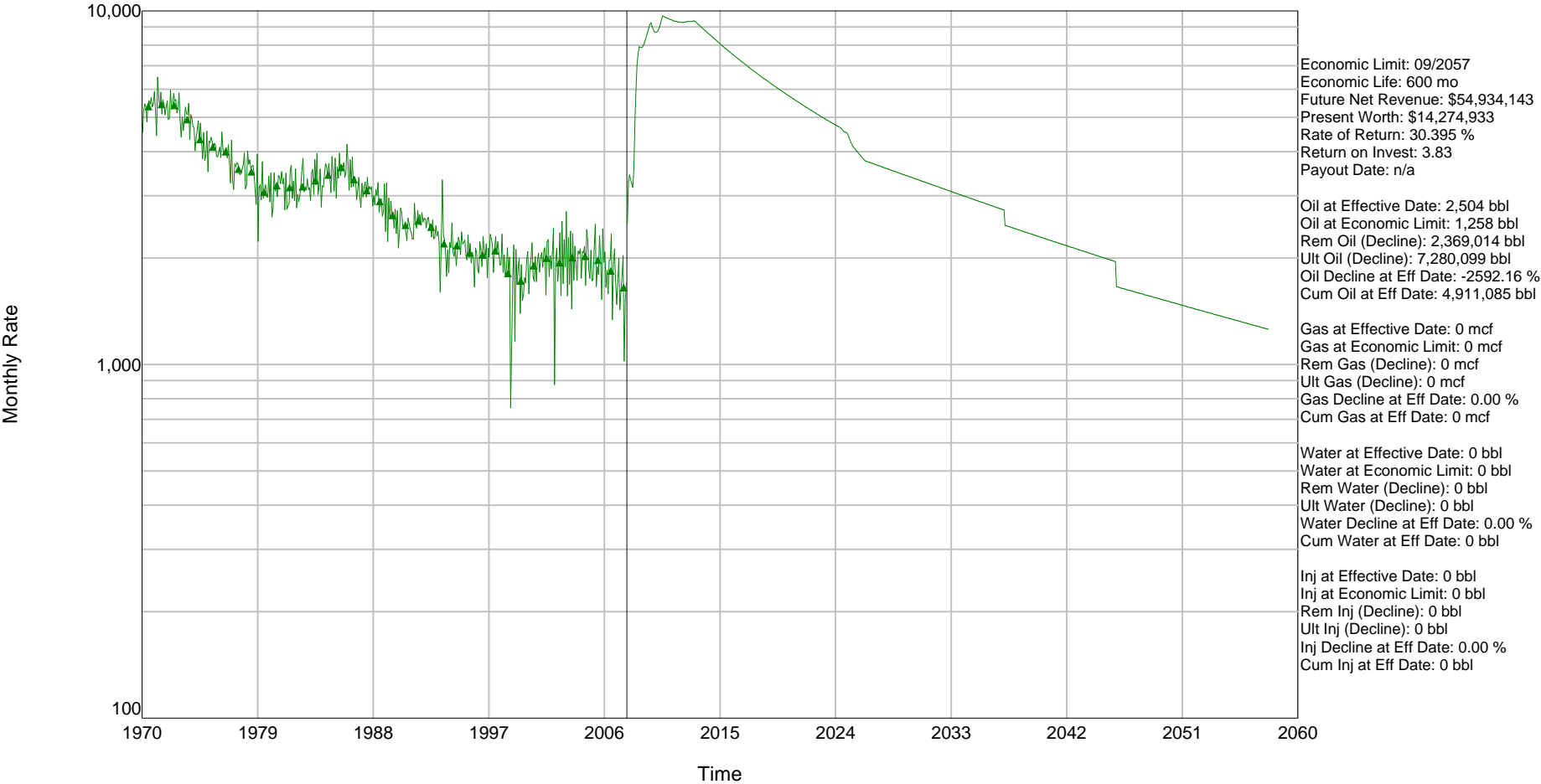
Net Payout Date:	10/2007
Rate of Return:	30.40 %
Return on Investment:	3.83
Disc Return on Invest:	1.82

## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	7,280,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	2,369,014	0
Remaining Net	1,529,041	0



Black Oaks & Nickel Town Combined - Low Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	7,280,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	2,369,014	0
Remaining Net	1,529,041	0

Black Oaks & Nickel Town Combined - High Case  
Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	6	0	0	0	0	0.00	0.00	0
12/2008	27	165	0	132	0	70.00	0.00	9,263
12/2009	95	7,674	0	6,152	0	70.00	0.00	430,613
12/2010	112	133,113	0	106,825	0	70.00	0.00	7,477,724
12/2011	112	242,796	0	195,426	0	70.00	0.00	13,679,801
12/2012	112	250,109	0	201,348	0	70.00	0.00	14,094,385
12/2013	112	240,927	0	166,918	0	70.00	0.00	11,684,254
12/2014	112	223,974	0	134,582	0	70.00	0.00	9,420,759
12/2015	112	208,225	0	123,524	0	70.00	0.00	8,646,650
12/2016	112	193,593	0	114,837	0	70.00	0.00	8,038,617
12/2017	112	179,999	0	106,768	0	70.00	0.00	7,473,733
12/2018	112	167,368	0	99,270	0	70.00	0.00	6,948,908
12/2019	112	155,632	0	92,304	0	70.00	0.00	6,461,275
12/2020	112	144,726	0	85,831	0	70.00	0.00	6,008,173
12/2021	112	134,591	0	79,816	0	70.00	0.00	5,587,136
Remainder:		1,617,108	0	958,143	0	70.00	0.00	67,070,044
Grand Total:		3,900,000	0	2,471,876	0	70.00	0.00	173,031,334

Date	Operating Expenses	Taxes	Operating Income	Other Costs	Periodic Cash Flow	Cumulative Cash Flow	10% Cash Flow
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
12/2007	4,750	0	-4,750	320,000	-324,750	-324,750	-317,133
12/2008	80,250	105	-71,092	5,443,165	-5,514,257	-5,839,007	-5,014,879
12/2009	283,750	4,866	141,997	4,127,690	-3,985,693	-9,824,700	-3,446,510
12/2010	336,000	84,498	7,057,225	0	7,057,225	-2,767,475	5,335,971
12/2011	336,000	154,582	13,189,219	0	13,189,219	10,421,744	9,189,840
12/2012	336,000	159,267	13,599,118	0	13,599,118	24,020,862	8,615,805
12/2013	298,875	132,032	11,253,347	0	11,253,347	35,274,209	6,490,284
12/2014	240,225	106,455	9,074,079	0	9,074,079	44,348,288	4,757,003
12/2015	235,200	97,707	8,313,743	0	8,313,743	52,662,031	3,960,031
12/2016	235,200	90,836	7,712,581	0	7,712,581	60,374,612	3,339,715
12/2017	235,200	84,453	7,154,080	0	7,154,080	67,528,692	2,816,250
12/2018	235,200	78,523	6,635,186	0	6,635,186	74,163,878	2,374,533
12/2019	235,200	73,012	6,153,062	0	6,153,062	80,316,940	2,001,817
12/2020	235,200	67,892	5,705,081	0	5,705,081	86,022,021	1,687,340
12/2021	235,200	63,135	5,288,801	0	5,288,801	91,310,822	1,422,021
Remainder:	9,852,535	757,891	56,459,618	0	56,459,618	147,770,440	7,422,156
Grand Total:	13,414,785	1,955,254	157,661,295	9,890,855	147,770,440	147,770,440	50,634,246

## Discount Present Worth:

0.00 %	147,770,440
5.00 %	81,017,529
8.00 %	60,426,656
9.00 %	55,225,920
10.00 %	50,634,246
12.00 %	42,918,676
15.00 %	34,060,191
20.00 %	23,923,176
30.00 %	12,598,772
50.00 %	3,440,076
100.00 %	-1,679,225

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

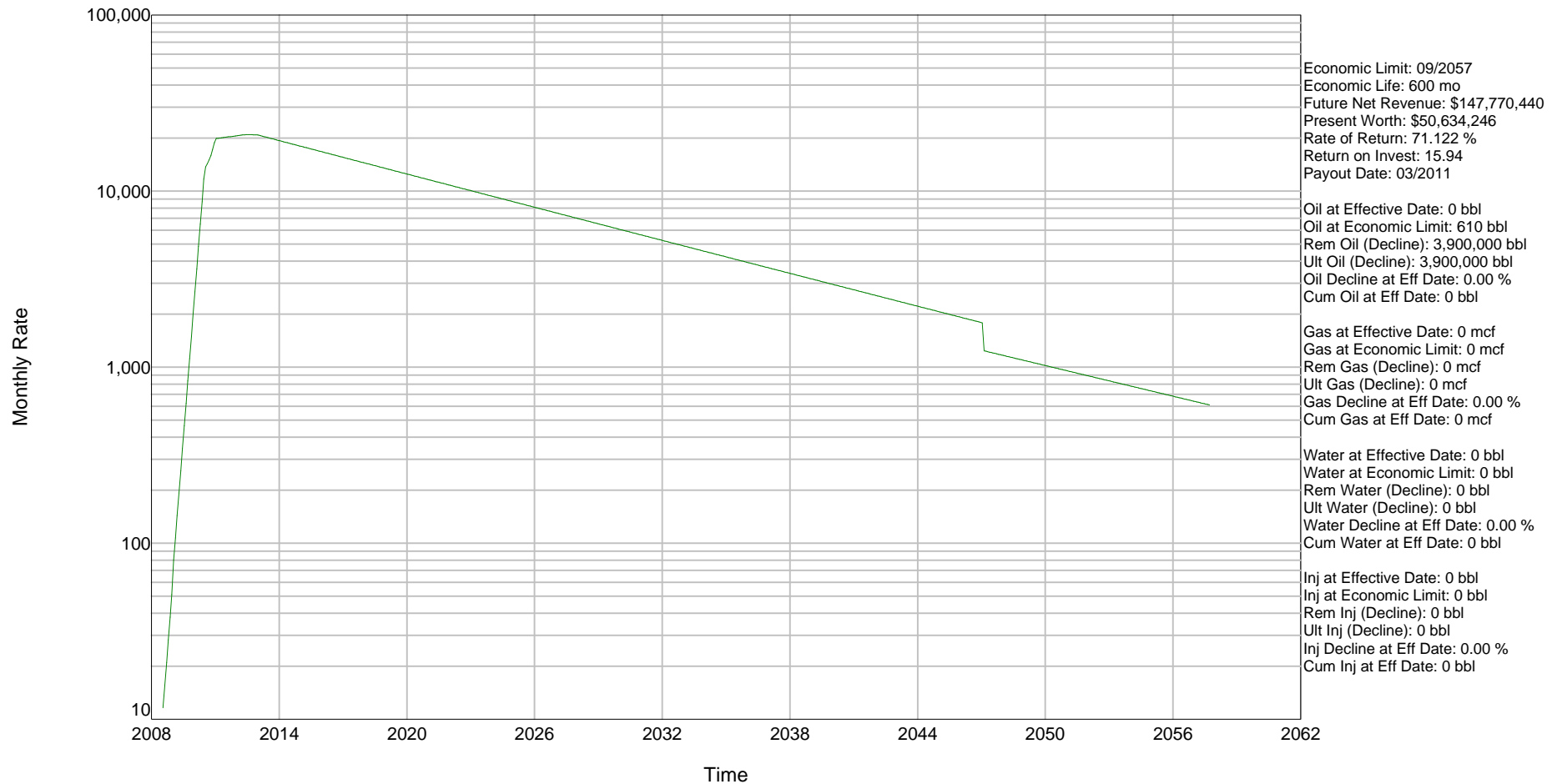
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	3,900,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	3,900,000	0
Remaining Net	2,471,876	0

## Economics Information:

Net Payout Date:	03/2011
Rate of Return:	71.12 %
Return on Investment:	15.94
Disc Return on Invest:	6.74

Black Oaks & Nickel Town Combined - High Case  
Waterflood



Economics Summary:		
	Bbl Oil	Mcf Gas
Ultimate Gross	3,900,000	0
Historic Gross	0	0
Gross at Eff Date	0	0
Remaining Gross	3,900,000	0
Remaining Net	2,471,876	0

Black Oaks & Nickel Town Combined - High Case  
Proved Developed Producing + Development Drilling + Waterflood

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	112	9,236	0	7,419	0	70.00	0.00	519,356
12/2008	167	70,304	0	56,617	0	70.00	0.00	3,963,216
12/2009	293	109,599	0	88,463	0	70.00	0.00	6,192,438
12/2010	319	224,204	0	180,384	0	70.00	0.00	12,626,850
12/2011	319	323,787	0	260,820	0	70.00	0.00	18,257,378
12/2012	319	322,326	0	259,650	0	70.00	0.00	18,175,525
12/2013	319	305,480	0	213,805	0	70.00	0.00	14,966,331
12/2014	319	281,823	0	169,607	0	70.00	0.00	11,872,485
12/2015	319	260,201	0	154,430	0	70.00	0.00	10,810,080
12/2016	319	240,418	0	142,677	0	70.00	0.00	9,987,361
12/2017	319	222,298	0	131,912	0	70.00	0.00	9,233,863
12/2018	319	205,683	0	122,043	0	70.00	0.00	8,543,045
12/2019	319	190,434	0	112,987	0	70.00	0.00	7,909,060
12/2020	319	176,425	0	104,667	0	70.00	0.00	7,326,674
12/2021	319	163,543	0	97,017	0	70.00	0.00	6,791,195
Remainder:		1,863,252	0	1,104,030	0	70.00	0.00	77,282,134
Grand Total:		4,969,014	0	3,206,528	0	70.00	0.00	224,456,989

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	105,870	5,869	407,617	510,000	-102,383	-102,383	-98,644
12/2008	620,410	44,784	3,298,021	12,188,165	-8,890,144	-8,992,526	-8,167,748
12/2009	1,045,030	69,975	5,077,433	6,692,690	-1,615,257	-10,607,783	-1,493,339
12/2010	1,130,880	142,683	11,353,286	0	11,353,286	745,503	8,633,355
12/2011	1,130,880	206,308	16,920,190	0	16,920,190	17,665,693	11,793,112
12/2012	1,130,880	205,383	16,839,261	0	16,839,261	34,504,954	10,671,088
12/2013	1,003,995	169,120	13,793,216	0	13,793,216	48,298,170	7,955,602
12/2014	808,353	134,159	10,929,973	0	10,929,973	59,228,143	5,730,627
12/2015	791,616	122,154	9,896,310	0	9,896,310	69,124,454	4,714,250
12/2016	791,616	112,857	9,082,888	0	9,082,888	78,207,341	3,933,415
12/2017	791,616	104,343	8,337,904	0	8,337,904	86,545,245	3,282,536
12/2018	791,616	96,536	7,654,892	0	7,654,892	94,200,137	2,739,673
12/2019	791,616	89,372	7,028,072	0	7,028,072	101,228,209	2,286,668
12/2020	791,616	82,791	6,452,267	0	6,452,267	107,680,476	1,908,477
12/2021	791,616	76,741	5,922,839	0	5,922,839	113,603,314	1,592,621
Remainder:	16,129,239	873,288	60,279,607	0	60,279,607	173,882,921	8,020,478
Grand Total:	28,646,849	2,536,364	193,273,776	19,390,855	173,882,921	173,882,921	63,502,172

## Discount Present Worth:

0.00 %	173,882,921
5.00 %	98,769,910
8.00 %	74,978,245
9.00 %	68,898,327
10.00 %	63,502,172
12.00 %	54,367,791
15.00 %	43,759,360
20.00 %	31,420,688
30.00 %	17,283,278
50.00 %	5,371,950
100.00 %	-1,841,650

## Economic Dates:

Effective Date	10/2007
Calculated Limit	09/2057
Economic Life	600 Months
	50 Years 0 Months

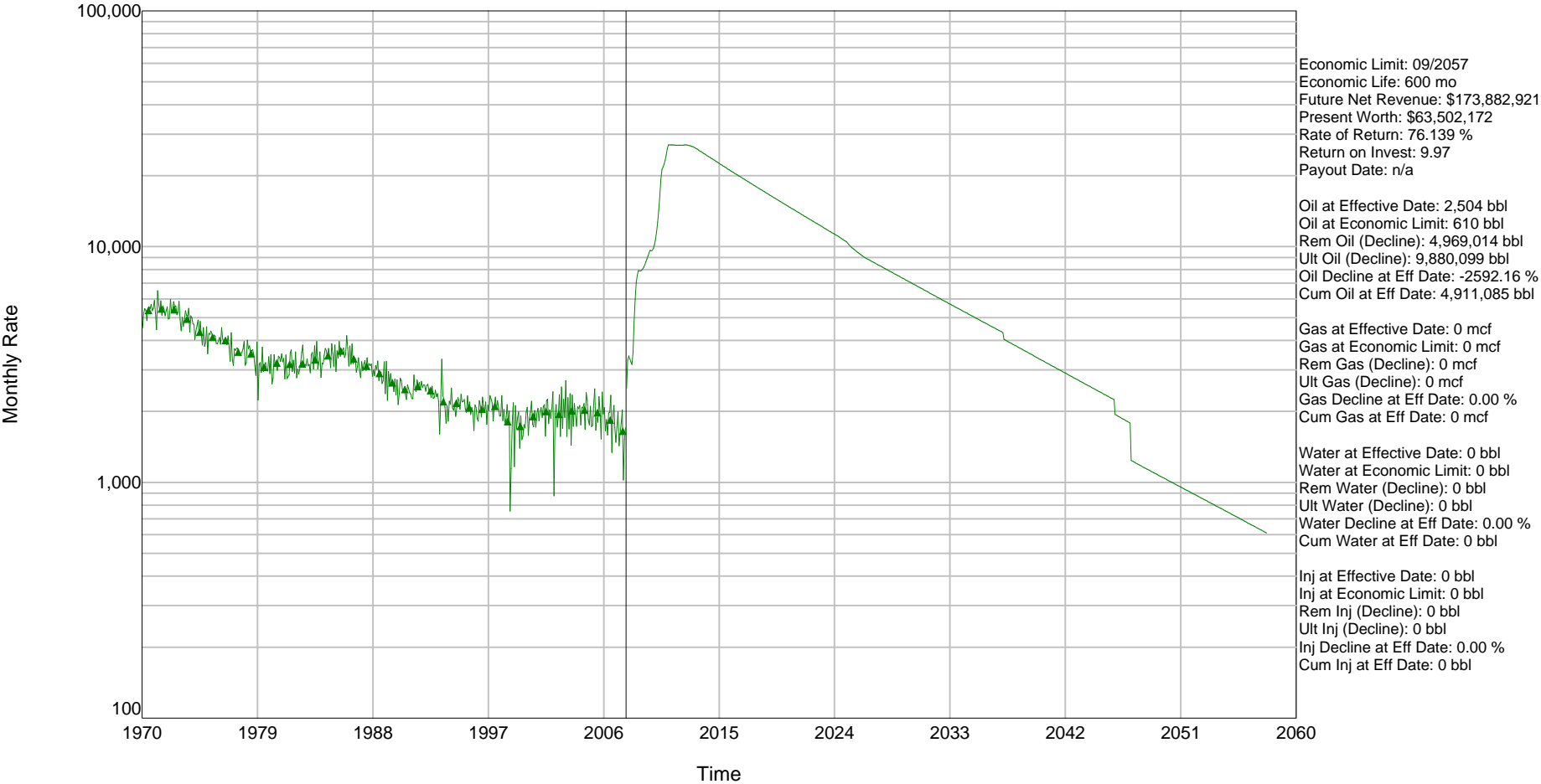
## Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	9,880,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	4,969,014	0
Remaining Net	3,206,528	0

## Economics Information:

Net Payout Date:	10/2007
Rate of Return:	76.14 %
Return on Investment:	9.97
Disc Return on Invest:	4.64

Black Oaks & Nickel Town Combined - High Case  
Proved Developed Producing + Development Drilling + Waterflood



Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	9,880,099	0
Historic Gross	4,908,628	0
Gross at Eff Date	4,911,085	0
Remaining Gross	4,969,014	0
Remaining Net	3,206,528	0